

# Weekly Report

the authoritative reference on Congress

WEEK ENDING APRIL 2, 1954

VOL. XII, NO. 14 -- PAGE 397-430

# **ECONOMIC INDICATORS**

'54 Outlook, '53 Summary--With Data For Your State

## OF SPECIAL INTEREST:

STATE ECONOMIC CHARTS
WHAT PERIL POINTS ARE
RECORD ROAD PROGRAM
TO BENEFIT EVERY STATE
QUARTERLY CORRECTIONS

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# congressional quotes

## RABBITS AND CADILLACS

Excerpts from the Senate's March 24 excise tax

debate (Congressional Record, pp. 3541 - 51); (Sen. Paul H. Douglas (D. III.) -- "I do not subscribe to a tax theory that encourages a woman to wear a mink coat, but taxes her if she does not toast her bread in an old oven...."

(Sen. Eugene D. Millikin (R Colo.) -- "Does he (Douglas) not know that all furs are subject to the tax, and...that most of the furs are muskrat and rabbit, and not mink?..."

(Douglas) -- "If we do not enact a positive antideflating program....people will be chasing rabbits in the near future .... '

(Millikin) -- "That is part of the Senator's gloom and doom theory."

(Douglas) -- "Is the Senator an apostle of zoom and boom?

(Millikin) -- "I'm about to hand the distinguished Senator a tear bottle into which he can weep.

(Douglas) -- "Iam proposing a method which will remove fear and will wipe away the tears, not only from the eyes of the United States manufacturers, but also from the eyes of the United States housewives...

(Millikin) -- ".... I was especially affected by his description of the poor ladies (houewives) on their knees, suffering, while the rich cover themselves with diamond tiaras and with blue mink or fox furs."

(Douglas) -- "I said sables," (Millikin) -- "The only sable that is in the Senate is to be found on the sable-bedecked, black, funeral clothes of the distinguished Senator from Illinois, where he cloaks himself in gloom.....The Senator has told us .... 'This tax reduction bill is for the rich, for the carriage trade...the Cadillac trade' ... Dear Senator, if that did not come out of your mouth I would call it sheer claptrap -- and it is still claptrap, even though it comes out of your mouth."

(Douglas) -- "The Senator from Colorado reminds me of a sophisticated rhetorician intoxicated by the exhuberance of his own verbosity.

(Millikin) -- "Let us cut out the 'bunk' about how this tax bill is for the benefit of the rich...

(Douglas) -- "Then what about the cabaret tax?" (Millikin) -- "The cabaret tax is not a den-ofsin tax?"

(Douglas) -- "I did not say it is a den-of-sin tax, but how many working men go to the Stork Club, the Twenty-three (sic) Club, and other such places, where gay blades like the Senator from Colorado are wont to congregate?"

(Millikin) -- "The Senator ... is preoccupied, for some strange reason, with the Stork Club and other fancy clubs where I assume, curvaceous and attractive girls gather .... "

(Douglas) -- "I have never been in a night club in my life."

(Millikin) -- "Nor have I for many, many years."

## ST. LAWRENCE SEAWAY

Threat to Russia -- "....a writer in the Communist Party newspaper, Isvestia, attempted to depict America's plans for an integrated defense of the North American continent as another so-called United States monopolistic plot...The Soviets are mortally afraid of one particular project .... That project is the St. Lawrence Seaway." -- Sen, Alexander Wiley (R Wis.), in a March 24 Senate speech.

Threat to Railroads -- "Those who vision foreign flagships carrying cargoes to Great Lake ports fail to recognize that ... these foreign flagships can put the railroads out of business." -- Rep. James E. Van Zandt (R Pa.), in a March 25 House speech.

## McCarthy-Stevens dispute

Silver Lining -- "From this hassle....something worthwhile may be accomplished. We may come up with a better Congressional investigative procedure, which it seems evident to all is necessary, regardless of the position they take on the McCarthy-Eisenhower-Stevens conflict." -- Sen. Lester C, Hunt (D Wyo.), in his March 11-17 newsletter.

Good Old Joe -- "For myself, even though procedure and methods (of investigative committees) can be criticized....I will go along with Joe, not the good old Joe of Truman but the Joe in whom so many Americans have faith." -- Rep. Clare E. Hoffman (R Mich.), in a March 24 House speech.

## TAX PHILOSOPHY

Trickle Down -- "The Republican answer to this question (tax reductions) was to revert to the old and (I had thought) discredited 'trickle down' theory...." -- Rep. John A, Blatnik (D Minn.), in March 25 newsletter.

False Philosophy -- In reference to Democratic criticism of the tax revision bill: "There seems to be a false philosophy that 'anything which is bad for business is automatically good for the country." --Rep. Robert W. Kean (R N.J.), in his March 25 newsletter.

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## Behind The Headlines. . .

## **ECONOMIC INDICATORS**

Here, On One "Instrument Panel," Are The Guages Of National Wealth;

## Outlook Depends On How You Rate Dip In Jobs, Income, Output

The nation's economic pulse was irregular although far from feeble in 1953, and Administration doctors were keeping a close watch on the conflicting signs that pointed to a strong or weak economy in 1954.

The economic outlook depends a great deal on whether more stress is placed on economic movements within the year itself or on a comparison of 1953 and 1952 averages.

Taken as a whole, 1953 was a good year for business and the consumer, with most phases of the economy either reaching new peaks or continuing at high levels. But developments during the year, particularly sharp fourth quarter drops in income, employment and production, gave rise to speculation that 1954 might see a major economic recession... or worse.

## RECESSION VS. PROSPERITY

Sen. Paul H. Douglas (D III.) and Rep. Richard Bolling (D Mo.), members of the Joint Committee on the Economic Report, Feb. 27 cited these statistics as indicators of a serious economic downturn:

Industrial production dropped 6.6 per cent between July and December of 1953; unemployment rose from 1.8 per cent of the civilian labor force in October to three per cent in December; personal incomes, after reaching a peak in July, declined one per cent; business failures by December 1953, were 39.5 per cent above December, 1952, totals.

Said the two Democrats: "We believe we are in a very definite recession."

The Administration pointed to these economic indicators for 1953 as a whole as evidence of a healthy economy:

Industrial production for the year averaged eight per cent higher than 1952; the monthly average of unemployment was 1.5 million, only 2.4 per cent of the monthly average civilian labor force, and below 1952 jobless figures; personal income for 1953 was \$14.8 billion more than 1952; new business incorporations in December 1953 were up 22.6 per cent from November, and 7.7 per cent above December 1952.

"The year just closed," said the President in his economic report for 1953, "was very prosperous," and there was "an unusual combination of favorable factors for the future."

(For six-month shifts in the major phases of the economy, see chart page 401.)

## Production, Income

The gross national product--the market value of the nation's total output of goods and services--rose from \$348 billion in 1952 to \$367.2 billion in 1953.

GNP actually is measured in terms of the money spent to acquire goods and services. Personal consumption expenditures (consumer spending) totaled \$229.8 billion, a record high and almost \$12 billion more than was spent in 1952.

Gross private domestic investment--outlays for construction, equipment, inventories, etc.--totaled \$54.4 billion, up \$1.9 billion from 1952.

Another component of the 1953 gross national product was the \$84.9 billion in state, local and federal government purchases of goods and services. Of that amount, \$51.8 billion represented federal defense spending.

The Commerce Department reported that "with respect to its economic impact, the defense program has entered its third major phase." From a period of "sharp advances" defense spending shifted to a "more moderate rate" of increase, and finally, in 1953, went into gradual decline with budget implications of continued "moderate reductions" in 1954, according to the Department.

## CONSUMER INCOME, SPENDING

The national income--total earnings of labor and property from the nation's output of goods and services--rose from \$291.6 billion in 1952 to \$307.7 billion in 1953.

Personal income--the sum of wages and salaries of employees, and the earnings of proprietors--in 1953 totaled \$284.5 billion, compared with \$269.7 billion in 1952. (For state figures on total and per capita personal income payments in 1952, see chart page 402.)

After consumers paid taxes, they had left a disposable income of \$247.9 billion--5.5 per cent above the 1952 disposable income of \$235 billion.

While the average consumer made more, he also spent more in 1953--a record \$229.8 billion that kept pace with his boost in income. This meant he was saving money at about the same rate, 7.3 per cent of disposable income, as in 1952.

On what were Americans spending their income in 1953? About \$121 billion went for food, clothing and other nondurable goods. Another \$30.1 billion was spent for "hard" goods such as cars, and household appliances. Dry-cleaning, shoe repair and other services cost consumers \$78.4 billion.

Americans more than ever were "living on the installment plan." Of the \$28.9 billion in consumer credit outstanding at the end of 1953, \$21.8 billion was installment credit. This was \$3.1 billion more than the \$18.7 billion installment debt of 1952.

Distribution of installment credit in 1952 and 1953 (in millions of dollars):

| 3 (in millions of dolla | HS);     |          |
|-------------------------|----------|----------|
|                         | 1952     | 1953     |
| Automobiles             | \$8,099  | \$10,289 |
| Other consumer          |          |          |
| goods                   | 5,328    | 5,605    |
| Repair and modern-      |          |          |
| ization loans           | 1,406    | 1,606    |
| Personal loans          | 3,851    | 4,307    |
| Total, installment      | \$18,684 | \$21,807 |
|                         |          |          |

## Job Picture

Of the 63,453,000 persons in the civilian labor force in 1953, 2.4 per cent were out of work. The monthly average of unemployment was 1,524,000--a post-war low, and a 149,000 drop from the 1,673,000 average unemployed in 1952.

But in November, the ranks of unemployed increased by almost 300,000. In December, the number of jobless jumped sharply by more than 400,000, bringing the total out of work to 1,850,000 at the end of the year.

## TREND CONTINUES IN '54

Unemployment kept rising in 1954--to 2,359,000 in January, and 3,385,000 in February. But these were computations under the old sampling method of the Bureau of Census. A new system of counting the jobless put unemployment in January at 3,087,000, and in February at 3,671,000. At his Feb. 17 news conference, President Eisenhower said Marchwould be the key month for determining the trend of unemployment.

At mid-March, unemployment was still rising, but President Eisenhower said at his March 24 news conference that nothing in the economic picture warranted slam-bang economic emergency aids.

Secretary of the Treasury George M, Humphrey told a Senate Committee March 22 that late Easter buying and uncertainty over taxes would mean a "late spring" as far as any upswing in the economy was concerned.

## 1953 AVERAGES

The following table shows the 1953 monthly averages of employment and unemployment (old sample):

|                   | 1953       | Chg. from 1952 |
|-------------------|------------|----------------|
| Total Labor Force | 67,001,000 | 441,000        |
| Civilian force    | 63,453,000 | 487,000        |
| Employed          | 61,929,000 | 636,000        |
| Agriculture       | 6,683,000  | -122,000       |
| Non-Agric.        | 55,245,000 | 757,000        |
| Unemployed        | 1,524,000  | -149,000       |

In every major non-agricultural industry, increases in the average hourly earnings of employees helped offset the rise in unemployment.

Hourly earnings in the manufacturing industry went up 5.5 per cent in 1953, while earnings in mining rose even more sharply by about eight per cent.

The following table gives a comparison of the total of wages and salaries in all industries in 1952 and 1953 (in millions):

|                      | 1952       | 1953      |
|----------------------|------------|-----------|
| Agriculture, forest  | ry         |           |
| & fisheries          | \$ 3,331   | \$ 3,275  |
| Mining               | 3,638      | 3,753     |
| Contract Constructi  | ion 10,647 | 11,042    |
| Manufacturing        | 63,004     | 70,446    |
| Wholesale & Retail   |            |           |
| Trade                | 31,775     | 34,052    |
| Finance, real estate | 9          |           |
| & insurance          | 6,543      | 7,171     |
| Transportation       | 11,764     | 12,220    |
| Communications &     |            |           |
| public utilities     | 5,113      | 5,668     |
| Services             | 15,301     | 16,499    |
| Government           | 32,527     | 33,515    |
| All Industries       | \$183,643  | \$197,641 |

## Industrial Trends

Industrial production--most of it for the civilian economy--rose eight per cent for 1953 as a whole, but dropped in the last months of the year. The sharp downward trend carried over into 1954.

For the fourth quarter of 1953, the nation's industrial output was four per cent below the last quarter production of 1952.

Industry's output is closely related to the market potential, and by about mid 1953, supply was catching up with demand. Total business inventories (stock accumulations) and sales moved steadily downward from September to the end of the year and into 1954. The defense demand for such items as new ships fell off.

But there were bright spots in the darkening production picture. Although manufacture of nondurable goods such as food and textiles increased less than four per cent, the output of durable goods such as cars and radios went up 13 per cent in 1953.

It was the second best year for the automobile industry, which produced 7.3 million cars and trucks, More than seven million television sets rolled off the production line, compared with six million in 1952. The nation was expected to be cooler with the 1.1 million room air conditioners made in 1953. Only 360,000 were produced in 1952.

## PLANT, EQUIPMENT SPENDING

Spending for new plant and equipment in 1953 surged to a new high of more than \$28 billion, increasing the nation's industrial production potential while production itself was declining.

## "Indicators" In A Nutshell

Here in brief are some of the key economic trends of 1953, which may serve as "indicators" to the nation's economic future:

Production

Gross National Product -- Up 4% in volume

Defense "Take" -- Tapering off

Industrial Production -- Up 8%; year-end drop Raw Materials -- Record volume produced

Consumer Durable Goods -- Up 13%, but final quarter under 1952 4th quarter output. Nondurable Goods -- Up less than 4%

Agriculture -- Crop production high, but harvested acreage lower than 1952 or 1943-1949 period.

Money

National Income -- Up \$16 billion

Disposable Income -- An overall 5.5 per cent rise; 5% drop in net farm income.

Consumer Spending -- Highest on record

Business Spending -- Up 5% Consumer Credit -- Up \$3 billion

Prices -- Relatively stable; consumer prices up. Corporate profits -- small rise; declining

Business, Employment

Home Construction -- new private housing starts down 5% from 1952 rate, but rising in 1954. Business Failures -- Increasing.

Employment -- Averaged half a million higher Unemployment -- Sharp rise at end of year, and into 1954.

But President Eisenhower said in his Economic Report to Congress, "Recent surveys indicate that business firms have little disposition to change their planned capital outlays because of the mild decline in output."

The Council of Economic Advisers reported March 18 that "Business plans call for expenditures of \$27,2 billion on new plant and equipment in 1954, according to a survey made in February and early March," 1954. The group noted this would be four per cent less than the amount spent in 1953.

The following table from data prepared by the Council shows the distribution of new plant and equipment expenditures in 1952 and 1953:

|                   | 1952     | 1953     |
|-------------------|----------|----------|
|                   | (in bi   | llions)  |
| Manufacturing     | \$11.6   | \$12.3   |
| Mining            | 1.0      | 1.0      |
| Transportation    | 2.9      | 2.8      |
| Public Utilities  | 3.9      | 4.6      |
| Commercial, other | 7.1      | 7.8      |
| TOTAL             | \$26.49* | \$28.39* |

\*Column does not add to total because of rounding.

There was a gradual shift in the investment pattern, according to the Commerce Department, "toward greater emphasis on civilian-type industries and less on the expansion of capacity to turn out basic materials and defense goods."

## CONSTRUCTION

The construction industry had a good year in 1953, with both the dollar value and volume of building at record highs.

New construction spending totaled \$34.8 billion in 1953, an increase of seven per cent over the value of building in 1952. The output of building materials went up five per cent to reach a post-war high.

More and costlier homes were built in 1953. Continuing high incomes, formation of more households, and good building weather combined to bring construction on privately built homes in 1953 to \$12 billion--up seven per cent from 1952. Construction on almost 1.1 million new non-farm private homes was started in 1953--the fourth straight year of over a million starts.

The Commerce Department reports that the trend in 1953 was toward bigger and more expensive homes--attributable to bigger families, and higher incomes. Another 1953 trend was toward home building in suburban areas, with about 50 per cent of 1953 private home building started outside city areas. This led to a big boost in commercial construction, as the need for supermarkets and shopping centers in the suburbs grew.

Industrial construction, however, fell off four per cent in 1953. But public construction valued at \$11 1/4 billion, was four per cent above the value of such construction in 1952. The increase, however, was the smallest since 1946, due mainly to the drop in federally financed construction. (For 1952 and 1953 Federal construction contract awards, see chart, page 403.)

The following table details the amount and kind of new construction in 1951, 1952 and 1953:

|                          |         | Millions | Percent change |         |               |               |
|--------------------------|---------|----------|----------------|---------|---------------|---------------|
| Type of construction     | 1950    | 1951     | 1952           | 1953    | 1960-<br>1953 | 1952-<br>1963 |
| Total new construction   | 28, 454 | 30, 895  | 32, 638        | 34, 843 | 22            | 7             |
| Total private            | 21, 454 | 21, 564  | 21, 812        | 23, 615 | 10            |               |
| Residential              | 12,600  | 10, 973  | 11, 100        | 11, 905 | -6            | 7             |
| Other private            | 8, 854  | 10, 591  | 10, 712        | 11, 710 | 32            |               |
| Nonresidential 1         | 3, 889  | 5, 216   | 5,099          | 5, 796  | 49            | 14            |
| Industrial               | 1,062   | 2, 117   | 2, 320         | 2, 226  | 110           | m4            |
| Commercial               | 1, 288  | 1, 371   | 1, 137         | 1, 791  | 39            | 56            |
| Other 1                  | 1, 539  | 1,728    | 1, 642         | 1, 779  | 16            |               |
| Farm construction        | 1, 635  | 1,646    | 1, 610         | 1, 475  | -10           | -8            |
| Public utility           | 3, 330  | 3, 729   | 4, 003         | 4, 439  | 33            | 11            |
| Total public             | 7,000   | 9, 331   | 10, 826        | 11, 228 | 60            | 4             |
| Residential              | 345     | 595      | 654            | 554     | 61            | -15           |
| Military and industrial  | 401     | 1, 833   | 3,055          | 3,081   | 668           | 1             |
| Other nonresidential     | 2, 160  | 2, 523   | 2, 452         | 2, 559  | 18            | 4             |
| Highway, water and sewer | 2, 931  | 3, 234   | 3, 552         | 3, 911  | 33            | 10            |
| All other public         | 1, 163  | 1, 146   | 1, 113         | 1, 123  | -3            | 1             |

<sup>1.</sup> Includes "all other private construction."

Source: U. S. Department of Commerce, Business and Defense Services Administration.

Construction provided one of the bright spots in the economic picture as 1953 ended and 1954 began. Public and private construction increased in both January and February, 1954. The number of new housing starts in February was up 7,000 from the previous month.

### HOW MANY IN BUSINESS?

By mid-1953, there were 4,212,400 firms in operation in the U.S., compared with 4,178,800 operating businesses at the close of 1952.

While new business incorporations rose from 92,819° in 1952 to 102,545 in 1953, the number of industrial and commercial firms in the 48 states that failed also rose sharply from 7,587 in 1952 to 8,835 in 1953. (For state breakdown on new business incorporation, and business failures in 1951, 1952, and 1953, see chart page 403.)

Corporation profits before taxes increased from \$39.2 billion in 1952 to \$43.2 billion in 1953. After taxes, corporate profits showed only a \$1 billion increase--from \$18.6 billion in 1952 to \$19.6 billion in 1953.

## Farm Income, Outlook

Continuing the trend of recent years, farm income and prices dropped in 1953, and little improvement was in sight for farmers in 1954.

The farmers' dollar incomes had declined 26 per cent from 1947 to 1950, while their purchasing power dropped 29 per cent. After a slight upswing in 1951, farmers' net dollar incomes dropped again, and "reduced farmers' purchasing power to a new postwar low in 1953," according to the Department of Agriculture.

In 1953, farm marketings brought in \$31 billion, 4 per cent less than farm marketing cash receipts of \$32.4 billion in 1952. Government payments to farmers in 1953 totaled \$213 million, compared with \$275 million 1952. (For state tables on 1951, 1952, 1953 cash receipts from farming, see chart page 404.)

Average prices of farm products dropped 10 per cent in 1953, and the price-decline was only partially offset by the five per cent rise in total volume of farm marketings.

The realized gross income of farmers--total of cash receipts from farming, value of home consumed farm products, and rental value of farm dwellings--was estimated at \$35 billion in 1953. This was four per cent less than realized gross farm income in 1952.

The cash cost of farm production totaled about \$22.2 billion, four per cent less than 1952 production expenses, and was the first drop since 1938 with the exception of 1949.

But the Agricultural Marketing Service reported that while both realized gross income and production expenses were down four per cent, "In actual dollars ....the decline in gross income was nearly twice as large as the decline in expenses."

Farmers' realized net income--the difference between gross income and total production expenses--was \$12.8 billion in 1953. This was five per cent lower than in 1952 and 13 per cent under the 1951 figure. During 1953, farm operators retained as net income only about 36.5 per cent of their realized gross income--the smallest portion since 1932.

Measured in terms of the net value of actual farm output (instead of the value of farm products sold or consumed) the farmers' total net income in 1953 was \$2 billion or 14 per cent lower than in 1952.

The nine per cent difference between the 14 per cent drop in total farm net income and the five per cent decline in realized farm net income was accounted for by the \$675 million drop in the value of farm crop and livestock holdings. In 1952, the value of farm inventories increased by \$654 million.

Like farm income and prices, farm population dropped. There were fewer farms and fewer people living on farms in 1953 than in 1952.

## CROP PRODUCTION

More than 359 million acres went into 59 major crops in 1953--3.1 million acres more than in 1952. But the actual harvested acreage totaled only 340.4 million acres--1.4 million less than in 1952.

(For state figures on acreage harvested in 1952, 1953 and the average for 1942-51, see chart page 404).

The market for U.S. crops contracted with the decline in exports. The Commerce Department reports that "Since production of a number of principal crops is considerably above current and prospective consumption requirements," the Secretary of Agriculture has asked for a "substantial reduction in acreage in 1954" of cotton, corn, and wheat, as well as peanuts and tobacco.

#### FURTHER DECLINE?

In a 1954 outlook issue of "The Farm Income Situation," the Bureau of Agricultural Economics said "Present prospects are for some further decline in cash receipts from farm marketings in 1954."

The Bureau expected the total volume of marketings to drop a bit in 1954, and "no offsetting increase is expected in the average of prices received by farmers." The Bureau also estimated that realized

## Slump -- Then And Now

PER CENT CHANGE FROM PEAK TO SIX MONTHS LATER

|  | June to<br>Dec. 1929 | May to<br>Nov. 1937 | Nov. 1948<br>to<br>May 1949 | July 1953<br>to<br>Jan. 1954 |
|--|----------------------|---------------------|-----------------------------|------------------------------|
| Employment, Non-farm                           |                      |                     |                             |                              |
| BLS  | -2.3                 | -2.3                | -3.0                        | -2.2                         |
| Census   |                      |                     | -1.7                        | -0.1                         |
| Unemployment, Total                            | **                   | +19.4               | +71.0                       | +100.0°<br>+53.2             |
| Hours of Work,                                 |                      |                     |                             |                              |
| Manufacturing                                  | -1.3                 | -11.5               | -1.8                        | -3.7                         |
| Production, FRB                                |                      |                     |                             |                              |
| Total  | -11.5                | -20.0               | -8.7                        | -8.1                         |
| Durable  | -20.6                | -28.3               | -10.5                       | -10.3                        |
| Nondurable                                     | -5.3                 | -18.8               | -4.0                        | -6.7                         |
| Minerals                                       | -2.9                 | -1.4                | -8.3                        | -5.0                         |
| Steel Production                               | -35.3                | ~50.8               | -3.6                        | -15.9                        |
| Automobile Production                          | -51.4                | -18.0               | -11.1                       |                              |
| Carloadings                                    | -7.7                 | -19.2               | -7.4                        | -10.3                        |
| Income, Total Personal<br>Av. Hourly Earnings, | -2,9                 | -5,5                | -3.2                        | -1.3                         |
| Manufacturing                                  | + 0.2                | + 3.5               | +0.5                        | + 1.7                        |
| Sales, Retail                                  | 0                    | -6.6                | -0.5                        | -4.0                         |
| Sales, Manufacturers                           | -24.0                | -23.6               | -8.5                        | -8.0                         |
| Inventories, Mirs., Total                      | + 4.0                | +7.5                | -1.3                        | -0.2                         |
| New Orders, Durable, Mf                        |                      | -31.1               | -17.9                       | -29.7                        |
| Construction Contracts.                        |                      |                     | 44.10                       |                              |
| Total  | -14.6                | -23.4               | +3.6                        | +16.7                        |
| Private  | -22.6                | -19.9               |                             |                              |
| Residential                                    | -39.2                | -21.1               | + 3.3                       | + 18.0                       |
| Commercial,                                    |                      |                     |                             |                              |
| Industrial                                     | +3.9                 | -39.0               | -20.6                       | -6.4                         |
| Installment Credit                             | + 5.1                | + 2.6               | +11.2                       | +2.7                         |
| Prices, Basic                                  | -4.6                 | -22.6               | -22.7                       | + 0.6                        |
| Wholesale Except Farm,                         |                      |                     | ,                           | 4.14                         |
| Food   | -1.3                 | -2.3                | -4.4                        | 0                            |
| Farm   | -2.4                 | -16.1               | -7.5                        | +1.3                         |
| Consumers                                      | +0.3                 | 8.0+                | -1.7                        | + 0.4                        |
| Business Failures,                             |                      |                     |                             |                              |
| Liabilities                                    | +41,3                | + 38.0              | -3.7                        | -14.9                        |
| Number   | + 0.8                | +13.9               | +41.7                       | +12.7                        |
| Stock Prices                                   | -23.4                | -28.0               | -4.4                        | + 6.2                        |
| Bank Rates on Business                         |                      |                     |                             |                              |
| Loans  | -1.5                 | + 0.6               | +3.8                        | 8.0+                         |
| Corporate Bond Yields                          | -1.7                 | -3.0                | -3.9                        | -7.3                         |
| New Incorporations                             | -11.2                | -10.1               | -1.0                        | -6.0                         |

•Two figures show total unemployment in the 1953-54 period because the Census Bureau used both a new and old formula.

SOURCES: Bureau of Labor Statistics, Census Bureau, Federal Reserve Board.

gross income in 1954 would be "moderately lower" than in 1953, and net income may be down a little.

In his Jan. 11 farm message, President Eisenhower told Congress "the agricultural problem today is as serious and complex as any with which the Congress will deal" in the 1954 session. He outlined a program calling for flexible instead of rigid price supports, use of surplus crops for foreign and domestic aid programs, and application of modernized parity, to correct "unbalanced" farm production, (CQ Weekly Report, p. 67.)

# PAYROLL, U.S.A. (1952)

|   | PAYME  | NTS TO  | INDIVID   | UALS  |   | MAJOR SOURCES OF INCOME PAYMENTS  As Percentages of Total Income                     |   |  |  |  |
|---|--|---|---|---|---|--|---|--|--|--|
| Region and State  | Total<br>Payments<br>(in millions)   | Percent<br>Change<br>1951-1952                        | Per<br>Capita<br>Payments   | Percent<br>Change<br>1951-1952                  | Agri-<br>culture<br>5   | Govern-<br>ment  | Manufac-<br>turing  | Trade and<br>Service   | Con-<br>struction  | Mining<br>10   |
| New England Connecticut Maine Hassachusetts New Hampshire Rhode Island Vermont                                    | \$16,635<br>4,375<br>1,246<br>8,385<br>780<br>1,352<br>497                                       | 7<br>7<br>7<br>3<br>4<br>3                            | \$1,749<br>2,080<br>1,361<br>1,749<br>1,530<br>1,655<br>1,336                               | 3<br>7<br>1<br>4<br>0                           | 1.6%<br>1.5<br>5.6<br>.8<br>2.5<br>.6<br>7.5                        | 15.25<br>9.9<br>18.4<br>17.1<br>14.5<br>17.3<br>15.5                                 | 32.94<br>39.4<br>27.9<br>30.3<br>32.2<br>35.5<br>26.2                       | 24.14<br>22.1<br>23.0<br>25.2<br>24.6<br>23.4<br>24.7                        | 3.4<br>4.1<br>2.7<br>3.4<br>2.5<br>3.6<br>1.7                      | .14<br>.1<br>.2<br>.1<br>.1<br>.1                                |
| Middle-east Delavare Dist. of Col. Maryland New Jersey New York Pennsylvania Virginia Vest Virginia               | 68,873<br>764<br>2,420<br>4,109<br>9,412<br>31,519<br>18,245<br>4,322<br>2,404                   | 6<br>5<br>6<br>7<br>3<br>6<br>3                       | 1,874<br>2,260<br>2,129<br>1,761<br>1,959<br>2,038<br>1,710<br>1,322<br>1,232               | 341342345                                       | 1.5<br>4.7<br>3.0<br>1.6<br>1.0<br>1.6<br>7.9<br>3.7                | 15.3<br>10.3<br>48.4<br>19.6<br>13.2<br>14.1<br>13.4<br>26.3<br>16.2                 | 26.8<br>34.9<br>3.0<br>22.5<br>35.3<br>24.1<br>31.8<br>17.3<br>20.6         | 27.3<br>18.7<br>27.2<br>26.1<br>24.4<br>30.8<br>24.1<br>23.5<br>20.8         | 3.7<br>5.2<br>3.3<br>5.4<br>4.0<br>3.1<br>4.1<br>4.6<br>2.8        | 1.7<br>-3<br>.2<br>-3<br>3.3<br>1.6<br>18.6                      |
| Southeast Alabama Arkansas Florida Georgia Kentucky Louisiana Mississippi North Carolina South Carolina Tennessee | 36,160<br>3,089<br>1,785<br>4,088<br>3,998<br>3,311<br>3,396<br>1,778<br>4,383<br>2,341<br>3,669 | 66284668  | 1,121<br>1,012<br>951<br>1,319<br>1,137<br>1,135<br>1,206<br>818<br>1,049<br>1,099<br>1,126 | 4<br>3<br>3<br>7<br>6<br>6<br>1                 | 11.5<br>10.0<br>22.0<br>7.5<br>9.5<br>11.9<br>9.4<br>24.1<br>15.4   | 20.3<br>22.6<br>18.3<br>20.2<br>21.0<br>19.2<br>20.2<br>21.1<br>16.1<br>19.7<br>18.0 | 17.9<br>20.6<br>11.9<br>8.1<br>20.1<br>14.8<br>14.4<br>12.5<br>25.8<br>24.2 | 24.9<br>23.7<br>24.8<br>32.4<br>26.5<br>23.4<br>24.5<br>23.7<br>22.9<br>20.4 | 5.0<br>3.6<br>4.7<br>5.4<br>3.1<br>8.0<br>5.3<br>2.9<br>3.3        | 1.6<br>2.0<br>1.6<br>.6<br>.5<br>5.6<br>3.9<br>.6<br>.2<br>.2    |
| Southwest<br>Arizona<br>New Mexico<br>Oklahoma<br>Texas   | 17,049<br>1,287<br>965<br>2,910<br>11,887  | 7<br>12<br>5<br>8<br>6                                | 1,416<br>1,498<br>1,331<br>1,285<br>1,452   | 5 5 3 8 4                                       | 11.4<br>18.5<br>12.4<br>11.6<br>10.6                                | 18.4<br>19.1<br>23.4<br>21.9<br>17.1   | 11.7<br>7.1<br>6.3<br>10.2<br>13.0  | 25.8<br>25.4<br>23.3<br>24.6<br>26.3   | 4.7<br>5.6<br>5.7<br>3.5<br>4.9                                    | 5.2<br>4.3<br>6.3<br>6.1<br>5.0                                  |
| Central  Illinois Indiana Iowa Michigan Minnesota Missouri Ohio Visconsin   | 72,997<br>17,681<br>6,917<br>4,087<br>12,172<br>4,505<br>6,420<br>15,378<br>5,837                | 5 h h 3 6 2 5 6 h                                     | 1,773<br>1,983<br>1,685<br>1,545<br>1,815<br>1,491<br>1,583<br>1,881<br>1,649               | 33224   | 7.1<br>4.8<br>7.6<br>28.2<br>2.9<br>13.8<br>9.4<br>3.5<br>9.4       | 12.5<br>12.1<br>12.3<br>13.0<br>12.1<br>14.5<br>14.5<br>12.0                         | 31.7<br>29.4<br>35.7<br>15.7<br>41.6<br>17.9<br>21.9<br>36.8<br>32.1        | 24.1<br>25.7<br>22.6<br>21.8<br>22.3<br>25.5<br>27.7<br>23.2<br>23.3         | 3.8<br>4.0<br>3.9<br>2.3<br>3.7<br>4.1<br>3.4<br>4.2<br>3.6        | .7<br>1.0<br>.7<br>.3<br>.6<br>1.6<br>.6<br>.6                   |
| Colorado Idaho Kansas Hontana Nebraska North Dakota South Dakota Utah Wyoming                                     | 12,873<br>2,316<br>874<br>3,400<br>1,003<br>2,147<br>734<br>835<br>1,069                         | 6<br>8<br>8<br>20<br>-2<br>6<br>-11<br>-13<br>5<br>-3 | 1,549<br>1,618<br>1,438<br>1,698<br>1,697<br>1,566<br>1,223<br>1,258<br>1,450<br>1,607      | 3<br>5<br>5<br>17<br>-2<br>4<br>-11<br>-16<br>1 | 20.3<br>11.0<br>22.5<br>22.3<br>21.2<br>27.1<br>26.3<br>31.3<br>7.4 | 17.2<br>21.0<br>15.9<br>13.8<br>17.4<br>15.0<br>17.5<br>18.6<br>23.1<br>18.6         | 10.6<br>10.8<br>10.9<br>15.7<br>7.2<br>9.7<br>2.5<br>4.7<br>10.5<br>5.8     | 24.2<br>26.7<br>22.5<br>21.2<br>24.2<br>24.8<br>29.8<br>25.9<br>24.5<br>24.1 | 4.1<br>5.1<br>5.1<br>3.7<br>4.7<br>2.8<br>3.9<br>3.1<br>4.6<br>5.7 | 2.5<br>2.0<br>2.5<br>2.0<br>5.4<br>.2<br>1.1<br>.9<br>7.0<br>8.2 |
| For West California Nevada Oregon Washington  | 30,780<br>23,146<br>405<br>2,763<br>4,466  | 8<br>9<br>15<br>6<br>6                                | 1,969<br>2,032<br>2,250<br>1,733<br>1,810   | 6 6 9 4   | 6.4<br>6.0<br>8.2<br>8.7<br>6.7                                     | 18.8<br>18.7<br>17.3<br>16.2<br>21.1   | 18.8<br>18.7<br>4.3<br>22.0<br>18.6   | 28.0<br>28.4<br>31.8<br>26.5<br>26.3   | 4.8<br>4.8<br>8.6<br>4.0<br>5.2                                    | .7<br>.8<br>3.9<br>.2  |
| Continental<br>United States  | \$255,367  | 5%  | \$1,639   | 44  | 6.7%  | 15.95  | 24.5%   | 25.6%  | 4.15   | 1.5%   |

Source: U.S. Dept. of Commerce, Office of Business Economics

Chart II

# BUSINESS POPULATION 1951-1953

## FEDERAL CONSTRUCTION CONTRACT AWARDS\*

|                               |                  |              |                  |                |                   |       | ATTAKES          |                   |                     |  |
|-------------------------------|------------------|--------------|------------------|----------------|-------------------|-------|------------------|-------------------|---------------------|--|
|                               | New Busi<br>1953 | iness Incorp | orations<br>1951 | Busine<br>1953 | ess Failt<br>1952 | 1951  | (Million<br>1952 | ns of \$)<br>1953 | % change<br>1952-53 |  |
| State                         | 1                | 2            | 3                | 4              | 5                 | 6     | 7                | 8                 | 9                   |  |
| Alabama                       | v66              | 586          | 529              | 95             | 41                | 37    | \$ 145.1         | \$ 42.0           | -71.1               |  |
| Arizona                       | 754              | 794          | 804              | 68             | 49                | 59    | 37.1             | 32.3              | -12.9               |  |
| Arkansas                      | 434              | 445          | 414              | 31             | 17                | 27    | 50.1             | 25.3              | -49.5               |  |
| California                    | 9.446            | 8,280        | 6,948            | 1.942          | 1,551             | 1,719 | 384.0            | 196.3             | -48.9               |  |
| Colorado                      | 938              | 812          | 784              | 38             | 12                | 35    | 61.6             | 29.0              | -52.9               |  |
| Connecticut                   | 1,745            | 1,540        | 1,299            | 193            | 195               | 131   | 15.2             | 11.6              | -23.7               |  |
| Delaware                      | 2,816            | 2,795        | 2,457            | 7              | 7                 | 4     | 21.8             | 4.2               | -80.7               |  |
| Florida                       | 4,974            | 4,113        | 3,655            | 182            | 143               | 152   | 89.0             | 62.0              | -30.3               |  |
| Georgia                       | 1,299            | 1,179        | 1,006            | 108            | 51                | 92    | 125.5            | 53.9              | -57.1               |  |
| Idaho                         | 312              | 275          | 244              | 26             | 21                | 16    | 65.8             | 42.2              | -35.9               |  |
| Illinois                      | 5,017            | 4,331        | 4,142            | 332            | 378               | 417   | 99.1             | 88.8              | -10.4               |  |
|                               | 1,721            | 1,343        | 1,421            | 67             | 49                | 46    | 43.2             | 37.8              | -12.5               |  |
| Indiana                       | 490              | 446          | 481              | 60             | 32                | 47    | 36.3             | 27.0              | -25.6               |  |
| Iowa                          | 574              | 566          | 608              | 36             | 27                | 28    | 87.6             | 78.0              | -11.0               |  |
| Kansas                        |                  | 660          | 598              | 47             | 33                | 33    | 297.9            | 31.6              | -89.4               |  |
| Kentucky                      | 708              |              |                  | 97             | 58                | 66    | 65.4             | 38.6              | -41.0               |  |
| Louisiana                     | 1,042            | 850          | 736              | 32             | 32                | 32    | 30.6             | 15.2              | -50.3               |  |
| Maine                         | 428              | 402          | 343              | -              | 69                | 87    | 54.7             | 41.0              | -25.0               |  |
| Maryland                      | 2,069            | 1,809        | 1,544            | 118            | 368               | 369   | 49.6             | 29.7              | -40.1               |  |
| Massachusetts                 | 3,587            | 3,079        | 2,925            | 314            |                   | 181   | 62.6             | 59.3              | - 5.3               |  |
| Michigan                      | 3,159            | 2,283        | 2,378            | 114            | 170               | 73    | 38.8             | 34.7              | -10.6               |  |
| Minnesota                     | 1,334            | 1,069        | 946              | 84             | 69                |       |                  | 24.6              | -43.7               |  |
| Mississippi                   | 435              | 454          | 356              | 49             | 28                | 41    | 43.7             | 84.4              | +17.4               |  |
| Missouri                      | 1,907            | 1,543        | 1,599            | 70             | 75                | 81    | 71.9             |                   | -35.5               |  |
| Montana                       | 297              | 252          | 252              | 9              | 5                 | 2     | 32.1             | 20.7              |                     |  |
| Nebraska                      | 358              | 360          | 333              | 17             | 13                | 14    | 50.1             | 42.6              | -15.0               |  |
| Nevada                        | 869              | 658          | 500              | 11             | 15                | 10    | 26.6             | 10.0              | -62.4               |  |
| New Hampshire                 | 357              | 253          | 279              | 24             | 25                | 29    | 9.4              | 10.0              | + 6.4               |  |
| New Jersey                    | 6,651            | 6,146        | 5,581            | 360            | 319               | 307   | 110.2            | 61.9              | -43.8               |  |
| New Mexico                    | 323              | 249          | 205              | 15             | 10                | 19    | 46.0             | 54.9              | +19.3               |  |
| New York                      | 22,652           | 22,193       | 20,145           | 2,539          | 2,335             | 2,327 | 163.7            | 140.5             | -14.2               |  |
| North Carolina                | 1,406            | 1,316        | 1,212            | . 60           | 46                | 70    | 65.2             | 48.9              | -25.0               |  |
| North Dakota                  | 201              | 146          | 107              | 4              | 5                 | 6     | 31.9             | 47.9              | +50.2               |  |
| Ohio                          | 6,080            | 5,510        | 4,719            | 271            | 205               | 223   | 134.5            | 265.7             | +97.5               |  |
| Oklahoma                      | 1,031            | 1,041        | 853              | 46             | 22                | 41    | 66.2             | 30.8              | -53.5               |  |
| Oregon                        | 834              | 775          | 741              | 79             | 73                | 66    | 64.6             |                   | +13.9               |  |
| Pennsylvania                  | 3,539            | 3,316        | 2,897            | 410            | 324               | 387   | 119.2            | 95.9              | -19.5               |  |
| Rhode Island                  | 724              | 698          | 593              | 97             | 87                | 92    | 23.3             | 8.3               | -64.4               |  |
| South Carolina                | 672              | 611          | 635              | 31             | 10                | 7     | 467.8            | 141.1             | -69.8               |  |
| South Caronna<br>South Dakota | 216              | 169          | 148              | 3              | 7                 | 6     | 40.8             | 40.9              | + .2                |  |
| Tennessee                     | 1,181            | 1,014        | 820              | 73             | 92                | 82    | 547.6            | 113,5             | -79.3               |  |
|                               | 3,633            | 3,628        | 2,981            | 183            | 94                | 89    | 221.2            | 130,6             | -41.0               |  |
| Texas                         |                  | 3,628        | 315              | 39             | 50                | 31    | 26.7             |                   | -48.3               |  |
| Utah                          | 410              | 100 100 100  |                  | 8              | 13                | 5     | 5.0              |                   | -10.0               |  |
| Vermont                       | 200              | 158          | 150              | 57             | 70                | 58    | 126.9            |                   | -22.5               |  |
| Virginia                      | 1,593            | 1,298        | 1,115            | 28             | 115               | 137   | 260.5            |                   | -26.3               |  |
| Washington                    | 1,225            | 999          | 938              | 59             | 47                | 71    | 21.7             |                   | -53.5               |  |
| West Virginia                 | 606              | 531          | 573              | 195            | 129               | 199   | 65.8             |                   | -32.7               |  |
| Wisconsin<br>Wyoming          | 1,440<br>192     | 1,293<br>195 | 1,205<br>135     | 195            | 129               | 2     | 11.9             |                   | -19.3               |  |
| United States                 | 102,545          | 92,819       | 83,649           | 8,835          | 7,587             | 8,053 | \$4,730.3        | \$2,823.9         | -40.3%              |  |

Sources: Dun & Bradstreet, Inc., Dept. of Labor

<sup>\*</sup> Covers Value of contracts awarded, and force-account work by a government agency.

## Chart III

# HARVEST --- ACRES AND CASH

(ACRES AND DOLLARS IN THOUSANDS)

|                | *TOTAL  | HARVESTED | ACREAGE   |              | **CASH RECEIPTS       |              |
|----------------|---------|-----------|-----------|--------------|-----------------------|--------------|
|                |         |           | (Average) |              | (Crops and Livestock) |              |
|                | 1953    | 1952      | 1942-51   | 1953         | 1952                  | 1951         |
|                | (1)     | (2)       | (3)       | (4)          | (5)                   | (6)          |
| Alabama        | 5,016   | 5,059     | 5,806     | \$ 418,978   | \$ 450,661            | \$ 449,288   |
| Arizona        | 1,285   | 1,248     | 885       | 400,400      | 383,621               | 361,454      |
| Arkansas       | 5,302   | 5,467     | 5,805     | 561,794      | 598,642               | 577,413      |
| California     | 7,391   | 7,313     | 6,561     | 2,585,520    | 2,728,701             | 2,743,344    |
| Colorado       | 6,132   | 6,451     | 6,301     | 533,601      | 607,666               | 580,416      |
| Connecticut    | 332     | 329       | 3€8       | 178,623      | 176,518               | 177,199      |
| Delaware       | 434     | 434       | 401       | 100,675      | 103,803               | 115,221      |
| Florida        | 1,277   | 1,244     | 1,170     | 532,108      | 498,848               | 511,202      |
| Georgia        | 6,490   | 6,441     | 7,245     | 633,946      | 652,898               | 647,276      |
| Idaho          | 3,824   | 3,649     | 3,434     | 346,405      | 368,176               | 373,887      |
| Illinois       | 21,095  | 20,955    | 20,162    | 1,911,696    | 2,015,238             | 2,016,181    |
| Indiana        | 11,315  | 11,215    | 10,854    | 1,084,177    | 1,118,576             | 1,129,105    |
| Iowa           | 22,656  | 22,463    | 21,991    | 2,263,488    | 2,214,238             | 2,359,497    |
| Kansas         | 21,304  | 23,488    | 22,220    | 1,013,639    | 1,187,722             | 1,102,146    |
| Kentucky       | 4,785   | 4,766     | 5,220     | 550,568      | 576,331               | 627,784      |
| Louisiana      | 2,969   | 3,013     | 3,396     | 402,253      | 446,700               | 393,944      |
| Maine          | 980     | 984       | 1,106     | 172,244      | 213,543               | 183,727      |
| Maryland       | 1,592   | 1,590     | 1,619     | 266,750      | 262,708               | 264,727      |
| Massachusetts  | 403     | 411       | 438       | 207,213      | 203,165               | 217,778      |
| Michigan       | 7.927   | 7,876     | 7,845     | 712,111      | 735,869               | 740,799      |
| Minnesota      | 19,399  | 19,334    | 19,174    | 1,270,212    | 1,283,901             | 1,283,405    |
| Mississippi    | 5,466   | 5,569     | 6,241     | 659,655      | 555,500               | 554,607      |
| Missouri       | 12,163  | 12,438    | 12,550    | 1,025,679    | 1,090,758             | 1,165,026    |
| Montana        | 9,837   | 9,247     | 8,234     | 378,193      | 392,755               | 444,139      |
| Nebraska       | 20,182  | 20,198    | 19,816    | 1,114,564    | 1,163,167             | 1,186,345    |
| Nevada         | 434     | 445       | 460       | 38,367       | 51,668                | 62,856       |
| New Hampshire  | 331     | 334       | 378       | 72,066       | 70,646                | 71,024       |
| New Jersey     | 808     | 811       | 825       | 362,455      | 347,497               | 358,560      |
| New Mexico     | 1,269   | 1,360     | 1,610     | 196,594      | 212,269               | 243,762      |
| New York       | 5.686   | 5,716     | 6,192     | 872,930      | 947,325               | 907,200      |
| North Carolina | 8,180   | €,246     | 6,290     | 887,996      | 948,959               | 962,112      |
| North Dakota   | 21,257  | 20,094    | 20,677    | 522,687      | 524,877               | 569,801      |
| Ohio           | 10,899  | 10,739    | 10,512    | 1,068,516    | 1,097,402             | 1,075,579    |
| Oklahoma       | 11,232  | 11,292    | 12,442    | 586,751      | 682,100               | 647,795      |
| Oregon         | 3,015   | 2,949     | 2,876     | 393,693      | 411,087               | 441,248      |
| Pennsylvania   | 5,618   | 5,637     | 5,942     | 820,934      | 821,209               | 835,707      |
| Rhode Island   | 47      | 46        | 48        | 26,256       | 27,558                | 26,980       |
| South Carolina | 4.164   | 4,123     | 4.374     | 375,281      | 387,759               | 408,438      |
| South Dakota   | 17,848  | 17,706    | 16,966    | 554,198      | 562,587               | 603,406      |
| Tennessee      | 5,344   | 5,178     | 5,771     | 492,218      | 524,570               | 520,658      |
| Texas          | 23,446  | 24,685    | 27,110    | 1,970,395    | 2,192,092             | 2,267,246    |
| Utah           | 1,307   | 1,269     | 1,204     | 153,512      | 177,790               | 192,799      |
| Vermont        | 1,012   | 1,016     | 1,092     | 107,074      | 113,315               | 110,186      |
| Virginia       | 3,366   | 3,506     | 3,645     | 453,383      | 508,807               | 508,886      |
| Washington     | 4,322   | 4,215     | 4,108     | 592,671      | 570,841               | 591,083      |
| West Virginia  | 1,170   | 1,171     | 1,305     | 127,482      | 134,667               | 145,349      |
| Wisconsin      | 10,128  | 10,138    | 10,331    | 1,049,606    | 1,143,825             | 1,132,636    |
| Wyoming        | 2,002   | 1,990     | 1,910     | 138,452      | 159,386               | 195,113      |
| UNITED STATES  | 340,444 | 341,846   | 344,909   | \$31,188,009 | \$32,647,941          | \$33,084,334 |

Source: U.S. Department of Agriculture.

<sup>\*</sup> Harvested acreage of 59 crops.

<sup>\*\*</sup>Cash receipts from crops, livestock, government payments.

## **Among Trade Issues**

## PERIL POINTS, ESCAPE CLAUSES

This year's battle over extending the (Reciprocal) Trade Agreements Act may center on peril points and escape clauses, devices to protect American industry against "serious injury" -- as the law expresses the standard -- by competitive imports.

Peril points and escape clauses illustrate the approach Congress has taken to the issue of freer trade vs. protectionism. The policy, expressed in various ways since the Act first was passed in 1934, is freer trade -- but only to the point of peril. In 1954, as in past years, spokesmen for opposing policies will try to shift the markers which fix that point.

(Other trade issues, including special protection for individual industries, will join the peril point and escape clause controversies in the 1954 tariff arena.)

## CURRENT LAW

Under current law, the President is required to give the Tariff Commission a list of commodities on which he expects to negotiate tariff concessions under the reciprocal trade program. The Commission investigates, holds hearings, and recommends to the President the levels of duties and other import restrictions necessary to prevent each imported commodity from "causing or threatening serious injury to the domestic industry producing like or directly competitive articles."

The President may not conclude a trade agreement until he receives the Commission's peril point report, which must be submitted within 120 days. If, in negotiating an agreement, the President lowers import restrictions below -- or fails to raise them to -- the peril points recommended by the Commission, he must explain to Congress within 30 days.

While peril points are used to prevent injury before it occurs, escape clauses are designed to remedy unforeseen injuries resulting from tariff concessions. The 1951 Trade Agreements Extension Act directed the President to insert escape clauses in all future trade agreements, and to negotiate to add them to existing agreements. He reports to Congress semi-annually on such action.

Escape clauses permit the U.S. (or the other parties to trade agreements) to cancel or modify concessions on import restrictions. The 1951 Act declared that U.S. policy is to modify trade concessions when, "as a result, in whole or in part, of the...concession, (a product is) being imported....in such increased quantities, either actual or relative, as to cause or threaten serious injury" to a domestic industry "producing like or directly competitive products."

## COMMISSION INVESTIGATION

The President, either house of Congress, the Senate Finance or House Ways and Means Committee, or "any

interested party" may demand that the Commission investigate and hold hearings to determine if concessions should be modified or canceled. The Commission may undertake an investigation on its own motion.

In determining the existence or threat of "serious injury," the Commission considers such factors as downward trend of production, declining sales, increased imports, increased inventory, and domestic producers' declining share of the domestic market. Some guideposts are in the law, while others are in the Commission's rules.

Recommendations by the Commission to the President on use of an escape clause are due within nine months of the application for an investigation. The report and recommendations must be sent to the Finance and Ways and Means Committees within 60 days of delivery to the President, or sooner if he declines to follow the recommendations.

If the President takes that course, he must explain to the two Committees within 60 days of receiving the Commission's report. If the Commission rejects an application for escape clause relief, it must publish its report.

The peril points principle was inserted in the law in 1948, despite the protests of President Truman, who called the requirements "superfluous" and "cumbersome." Peril points were deleted from the law in 1949, reinserted in 1951, and retained in 1953.

Escape clause provisions, as such, first were written into the law in 1951, and were retained in 1953. From the beginning, however, the law has contained provisions for canceling concessions for specific causes, including various types of discriminatory trade practices. Current law also contains special provisions for protection of farm commodities under price supports.

When he signed the 1951 extension, Mr. Truman declared that peril points and escape clauses "....do not materially add to the safeguards (for domestic industry) which already exist under present administrative procedures." Protective procedures in effect prior to enactment of provisions for peril points in 1948 and escape clauses in 1951 illustrate what he meant.

## PURPOSE: EXPANDED MARKETS

The law states as its purpose expansion of foreign markets. And the President is authorized to grant trade concessions when import restrictions are "unduly burdening and restricting" on U.S. foreign trade. Imports, Congress declared, should be admitted "in accordance with the characteristics and needs of....American production..."

Facing periodic Congressional appraisal of their adherence to these principles, Presidents Roosevelt and

Truman consulted the Tariff Commission and other federal agencies on the degree of protection needed. The first escape clause comparable to the current type was in a 1943 trade agreement with Mexico, Escape clause procedure first was formalized by Executive Order 9832, Feb. 25, 1947, which provided for inclusion of escape clauses in future trade agreements.

Evolved from successive executive orders, Executive Order 10082, Oct. 5, 1949, included the substance of the peril points principle along with provisions for negotiating and invoking escape clauses.

This order established the Interdepartmental Committee on Trade Agreements and the Committee for Reciprocity Information, composed of representatives of the Tariff Commission and Departments of State, Treasury, Defense, Interior, Agriculture, Commerce, and Labor, and the Economic Cooperation Administration (predecessor of the Foreign Operations Administration).

The Trade Agreements Committee was directed to propose to the President lists of articles for negotiations on trade concessions. The two Committees, together with the Tariff Commission and other federal agencies, studied the proposals, and held hearings. The Trade Agreements Committee submitted recommendations to the President

Democratic Administrations assured Congress that they would negotiate no concessions destructive of an American industry. In 1953, the Eisenhower Administration told Congress American industries could expect more sympathetic application of the law's protective features than had been practiced in the past.

Clues to possible Congressional action on peril points and escape clauses in 1954 are threaded through the history of the Trade Agreements Act. Some Members of Congress will seek to drop statutory peril points and escape clauses, removing some of the "protectionist" pressure from the Administration. Their opponents will try to tighten peril points and escape clauses.

## PROTECTION PROPOSALS

Here are some of the devices proposed in the past to increase protection:

Allow Congress to veto trade agreements negotiated in the face of contrary Tariff Commission recommendations.

Require the President to comply with Tariff Commission recommendations on peril points and escape

Require the President to seek information and advice on proposed trade agreements from the Finance and Ways and Means Committees.

Reduce the waiting period for Commission reports on escape clause cases,

Revise criteria for determining injury warranting protective relief.

## PRESIDENT'S RECOMMENDATION

In his message to Congress on foreign economic policy, President Eisenhower March 30 agreed with his study commission (CQ Weekly Report, pp. 136-37) that

## Tariff Relief Score Card

President Truman rejected the Tariff Commission's only operative peril point recommendation. Aug. 29, 1952, he explained to Congress why, the previous day, the U.S. signed an agreement granting Venezuela concessions on petroleum duties beyond the limits recommended by the Commission.

Fifty-nine escape clause cases have been placed before the Commission. Seventeen applications were dismissed, and one was withdrawn. Four cases were automatic yearly reviews. In 19 of the 38 remaining cases, the Commission recommended no relief. In eight cases, use of escape clauses was recommended.

President Truman rejected two of these recommendations: Jeweled watches and movements, Aug. 14, 1952; garlic, July 21, 1952. President Eisenhower rejected one, after requesting further study: Tobacco pipes and bowls, Nov. 10, 1953.

Mr. Truman complied three times, modifying concessions on: Women's fur felt hats and hat bodies, Oct. 30, 1950; hatters' fur, Jan. 5, 1952, and dried figs, Aug. 16, 1952.

In two cases of recommendations for relief, President Eisenhower asked the Commission to conduct further studies which still are under way: Screenprinted silk scarves, June 10, 1953; hand-blown glassware, Nov. 19, 1953.

The Commission Jan. 5 told the House Appropriations Subcommittee on Independent Offices that it spent more than 200 man days on peril points cases in fiscal 1952, and about 74.2 man years on escape clauses in fiscal 1950-53. It estimated that escape clause work would consume 32 man years in fiscal 1954, and 33 in fiscal 1955. No expenditure of time on peril points was anticipated for fiscal 1954 or 1955.

peril points and escape clauses should be retained. He promised to consider the Tariff Commission's recommendations for protecting domestic industry, but said that he sometimes will base his decisions on "broader grounds" than the Commission.

This reference to broad national interest touches upon a basic complaint by opponents of peril points and escape clauses. They contend that the threat of serious injury to a competitive industry is too narrow a standard for warranting tariff relief, since it ignores possible effects on other industries and on the economy as a whole.

"Protectionists" favor freer definitions of injury, calling for relief if for example, a segment of an industry is threatened by imports, even when the industry as a whole is in good shape.

For background on reciprocal trade, see CQ Almanacs, Vol. I, 1945, pp. 156, 310-17; Vol. IV, 1948, pp. 190-92; Vol. V, 1949, pp. 362-69; Vol. VII, 1951, pp. 214-19; Vol. IX, 1953, pp. 210-17.

## To Make Jobs, Remove Bumps

## RECORD FEDERAL-AID HIGHWAY PROGRAM

The biggest road building bill in history is making progress in Congress.

Authorizations provided in the legislation -- The Federal-aid Highway Act of 1954--give states the green light to hike their federal highway construction plans to unprecedented levels.

The House March 8 passed HR 8127, authorizing road building expenditures of \$875 million in each of the fiscal years 1956 and 1957.

Going it one better, the Senate Public Works Committee March 25 reported its version (\$3184) raising the annual authorizations to \$1,001,000,000 in these years.

Why the stepped-up program?

First 55 million motor vehicles crowd the nation's highways. Some 63.8 per cent of the mileage on federal-aid road systems needs improvement at a cost of \$35 billion dollars, according to the Senate Public Works Committee report. "Highway improvement must be speeded up," says the Senate Committee.

Testimony and "graphic descriptions....with respect to traffic congestion, deaths, and accidents, highway obsolescence and other factors (show) the urgent need for an increased rate of highway improvement" says the House Public Works Committee.

## JOB STIMULUS

Secondly, as the Senate Committee noted in its report, "....highway construction is well adapted to a stepup in volume and would assist greatly in stimulating employment."

The Committee added to S 3184 authority for the President to accelerate by a year the effective dates for the proposed authorizations for domestic roads "in the interest of maintaining preparedness for any possible adverse employment conditions."

Finally, President Eisenhower announced at his Feb. 10 news conference that his Administration hopes to devote to the highway improvement program amounts equal to revenues from the federal gasoline tax. This was \$890.679,000 in fiscal 1953.

The tax has not been dedicated to federal highways expenditures in the past. In recent years, amounts authorized for highway construction have been far less than gas tax revenues.

Sen. Spessard L. Holland (Fla.), member of the Senate Public Works Committee and ranking Democrat on the Subcommittee on Public Roads, cites rising unemployment as a reason for the bigger money figures in the Senate bill. Holland said he believes his Committee is recommending more money because, since House passage, "signs of recession are greater."

Not all the money provided in the Senate and House measures is devoted to the traditional federal-aid systems. Some \$91 million in the Senate version and \$75 million in the House measure would build forest highways national park roads, roads on federal land, the Inter-American Highway and the Rama Road in Nicaragua.

This chart shows how the balance of money would be allotted and lists authorizations for fiscal 1955 (already authorized and apportioned to the states):

## (In thousands of dollars)

| Federal-aid Systems | Fiscal 1955 | HR 8127   | S 3184    |
|---------------------|-------------|-----------|-----------|
|                     |             |           |           |
| Primary roads       | \$247,500   | \$272,000 | \$342,000 |
| Secondary roads     | 165,000     | 180,000   | 228,000   |
| Urban roads         | 137,500     | 150,000   | 190,000   |
| Interstate roads    | 25,000      | 200,000   | 150,000   |
| Total               | \$575,000   | \$800,000 | \$910,000 |

Though the authorizations provided in the federal-aid highway bills apply to future years (1956 and 1957), the states can shift into high gear now.

This year, as soon as the authorization is enacted, the states will know how much money they can expect. Under present law money is apportioned to states on a formula based on area, population and mileage of rural mail routes.

Congressional authorization is deliberately made well in advance of the time funds are to be used, to give state legislatures time to put up matching funds. For example, the Federal-aid Highway Act of 1952 made authorizations for fiscal 1954 and 1955. The biennial legislation gives the Federal Bureau of Public Roads, which administers the Act, authority to incur obligations.

## APPROPRIATIONS FOLLOW

As work is done, funds are provided to reimburse the states for the federal share. The fiscal 1955 appropriation bill (HR 8067) for State, Justice and Commerce Departments, carrying a \$500 million item for the highway program was passed by the House March 5 and sent to the Senate. Eventually supplemental appropriations may have to be made to meet obligations incurred under the \$575 million authorization for fiscal 1955.

When a state's program is accepted by the Bureau of Public Roads, the state compiles surveys, plans and specifications and final cost estimates, advertises for bids and awards construction contracts. As work progresses, the state pays the contractor, and claims reimbursement for the federal share. Federal funds have been authorized for nearly every fiscal year since 1917, when \$5 million was provided.

# Road Programs -- Proposed, Active

|                      | Pr            | oposed        | Actual<br>1955 | Act             |                 |          |
|----------------------|---------------|---------------|----------------|-----------------|-----------------|----------|
|                      | House         | Senate        | Apportion-     | Total           | Federal         | Miles of |
|                      | (HR 8127)     | (S 3184)      | ment           | cost            | Funds           | projects |
| States               | 1             | 2             | 3              | 4               | 5               | 6        |
| Alabama              | \$ 16,195,000 | \$ 18,430,000 | \$ 11,629,238  | \$ 66,309,000   | \$ 33,976,000   | 751.4    |
| Arizona              | 9,605,000     | 11,009,000    | 7,090,267      | 14,385,000      | 10,221,000      | 249.4    |
| Arkansas             | 11,769,000    | 13,435,000    | 8,552,216      | 23,879,000      | 12,421,000      | 693.0    |
| California           | 43,061,000    | 48,788,000    | 30,269,263     | 113,155,000     | 55,625,000      | 327.0    |
| Colorado             | 11,958,000    | 13,791,000    | 8,962,425      | 22,920,000      | 12,512,000      | 287.5    |
| Connecticut          | 7,385,000     | 8,378,000     | 5,177,072      | 10,616,000      | 5,338,000       | 29,6     |
| Delaware             | 3,733,000     | 4,097,000     | 2,409,449      | 8,839,000       | 4,431,000       | 53.8     |
| Florida              | 13,246,000    | 15,052,000    | 9,442,291      | 37,186,000      | 19,268,000      | 547.7    |
| Georgia              | 18,551,000    | 21,115,000    | 13,335,300     | 54,144,000      | 26,202,000      | 893.7    |
| Idaho                | 7,931,000     | 9,025,000     | 5,738,448      | 17,996,000      | 11,229,000      | 286.0    |
| Illinois             | 35,649,000    | 40,382,000    | 25,055,311     | 92,843,000      | 48,392,000      | 508.8    |
| Indiana              | 19,175,000    |               | 13,697,571     | 55,495,000      | 29,624,000      | 237.6    |
| Iowa                 | 17,090,000    | 21,803,000    | 12,505,287     | 30,955,000      | 17,081,000      | 872.0    |
| Kansas               |               | 19,558,000    | 12,035,698     | 30,896,000      | 15,304,000      | 1,915.0  |
| Kentucky             | 16,143,000    | 18,581,000    |                |                 |                 | 384.5    |
|                      | 14,311,000    | 16,233,000    | 10,170,437     | 36,470,000      | 19,094,000      |          |
| Louisiana            | 12,640,000    | 14,347,000    | 8,983,105      | 52,237,000      | 24,470,000      | 292.5    |
| Maine                | 6,086,000     | 6,892,000     | 4,318,722      | 16,113,000      | 8,178,000       | 116.4    |
| Maryland             | 8,663,000     | 9,768,000     | 5,998,746      | 15,693,000      | 8,321,000       | 86.6     |
| Massachusetts        | 15,025,000    | 16,881,000    | 10,224,769     | 52,671,000      | 24,950,000      | 42.9     |
| Michigan             | 27,421,000    | 31,093,000    | 19,363,779     | 81,015,000      | 37,383,000      | 620.6    |
| Minnesota            | 18,798,000    | 21,514,000    | 13,741,435     | 23,978,000      | 12,763,000      | 995.8    |
| Mississippi          | 12,805,000    | 14,598,000    | 9,264,239      | 33,359,000      | 16,894,000      | 834.6    |
| Missouri             | 22,204,000    | 25,351,000    | 16,087,259     | 73,548,000      | 36,785,000      | 1,303.3  |
| Montana              | 12,259,000    | 14,103,000    | 9,167,781      | 31,292,000      | 18,952,000      | 595.0    |
| Nebraska             | 12,642,000    | 14,578,000    | 9,485,200      | 35,853,000      | 19,180,000      | 1,062.3  |
| Nevada               | 7,964,000     | 9,037,000     | 5,730,198      | 10,507,000      | 8,753,000       | 197.3    |
| New Hampshire        | 3,868,000     | 4,268,000     | 2,532,280      | 10,275,000      | 5,228,000       | 56.8     |
| New Jersey           | 15,420,000    | 17,320,000    | 10,486,958     | 46,048,000      | 19,732,000      | 80.5     |
| New Mexico           | 10,262,000    | 11,774,000    | 7,602,745      | 15,969,000      | 10,020,000      | 406.1    |
| New York             | 51,408,000    | 57,954,000    | 35,428,657     | 240,741,000     | 117,088,000     | 479.7    |
| North Carolina       | 19,299,000    | 21,864,000    | 13,669,505     | 52,371,000      | 25,158,000      | 766.4    |
| North Dakota         | 9,207,000     | 10,529,000    | 6,757,350      | 19,935,000      | 10,128,000      | 1,307.7  |
| Ohio                 | 32,101,000    | 36,320,000    | 22,493,115     | 110,471,000     | 51,948,000      | 229.7    |
| Oklahoma             | 15,059,000    | 17,250,000    | 11,052,688     | 34,606,000      | 18,823,000      | 463.1    |
| Oregon               | 11,685,000    | 13,427,000    | 8,661,811      | 15,503,000      | 9,235,000       | 215.8    |
| Pennsylvania         | 38,513,000    | 43,402,000    | 26,616,706     | 120,336,000     | 57,366,000      | 217.0    |
| Rhode Island         | 4,487,000     |               | 3,097,079      | 12,673,000      | 6,333,000       | 58.4     |
| South Carolina       | 10,320,000    | 5,052,000     | 7,326,960      | 30,217,000      | 15,648,000      | 849.4    |
|                      |               | 11,700,000    | 7,245,354      | 13,485,000      | 7,703,000       | 753.0    |
| South Dakota         | 9,824,000     | 11,252,000    | 11,989,709     | 47,685,000      | 22,481,000      | 714.7    |
| Tennessee            | 16,756,000    | 19,050,000    |                | 75,573,000      |                 | 1,353.5  |
| Texas                | 47,599,000    | 54,469,000    | 34,757,747     |                 | 40,611,000      | 171.2    |
| Utah                 | 7,678,000     | 8,749,000     | 5,563,341      | 11,751,000      | 9,006,000       |          |
| Vermont              | 3,660,000     | 4,005,000     | 2,342,840      | 10,102,000      | 5,214,000       | 70.3     |
| Virginia             | 15,374,000    | 17,431,000    | 10,892,628     | 46,010,000      | 21,890,000      | 381.6    |
| Washington           | 12,805,000    | 14,602,000    | 9,240,247      | 26,762,000      | 14,069,000      | 249.5    |
| West Virginia        | 8,802,000     | 9,943,000     | 6,174,811      | 22,245,000      | 11,195,000      | 106.5    |
| Wisconsin            | 18,215,000    | 20,753,000    | 13,110,327     | 33,362,000      | 17,114,000      | 387.8    |
| Wyoming              | 7,801,000     | 8,853,000     | 5,610,550      | 8,759,000       | 5,517,000       | 162.6    |
| Hawaii               | 2,702,000     | 3,423,000     | 2,464,524      | 14,011,000      | 6,751,000       | 21,0     |
| District of Columbia | 4,708,000     | 5,331,000     | 3,298,123      | 20,092,000      | 9,318,000       | 8.5      |
| Puerto Rico          | 4,138,000     | 5,240,000     | 3,773,439      | 26,325,000      | 12,211,000      | 96.8     |
| TOTAL                | \$800,000,000 | \$910,000,000 | \$575,000,000  | \$2,107,661,000 | \$1,067,134,000 | 23,792.9 |

Source: Federal Bureau of Public Roads.



## pressures on congress

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## ECONOMIC DEBATE

Economic doctors who have felt the pulse and taken the temperature of America's economy in recent weeks are coming up with widely differing diagnoses and corrective prescriptions. (For Economic Indicators, see page 397.)

Representing various national lobbies and study groups, these top economists and officials disagree as to whether the patient is seriously ill or just mildly indisposed. Some prescribe immediate and drastic government cures; others say the economy is basically healthy and needs little medicine.

Generally speaking, the largest business and farm organizations take the optimistic view, recommending as little government interference as possible. On the other hand, labor, consumer and smaller farm groups believe the present downturn is serious, contend prompt federal action is needed.

Several large study organizations are advocating programs for a stable economy which fit somewhere between these two extremes. The program of the federal government itself, as exemplified in the President's Economic Report (CQ Weekly Report, p. 142) seems generally considered a middle-of-the-road course, although labor spokesmen say it leans toward the business viewpoint.

### WHAT THEY SAY

Here are four statements showing the divergency of opinion concerning the economy:

"I do not foresee a depression...it is highly improbable, if not impossible, that the stock market crash of Black Friday in October, 1929, could ever be repeated... A few people are spreading the virus of fear and hysteria... The people who want a depression are the same people who would like to see our free market system taken over by a planned economy." -- Richard L. Bowditch, president of the Chamber of Commerce of the U.S., in a speech before the Atlanta, Ga., Chamber, March 17.

"There seems to be no prospect for a serious turn down in business generally for the year 1954, or for any of the years in the immediate future, provided the trend toward a balanced budget is ardently continued, expenditures are reduced as far as possible...,business incentives are increased by a sound tax policy, and the government assures business a climate favorable to expansion." -- Harold C. McClellan, head of the National Association of Manufacturers, in an interview with CQ March 29.

"In the face of present unemployment and declining production the Washington do-nothing, look-the-other way policy is both dangerous and disgraceful....It is clear that the President's economic advisers have consistently underestimated the magnitude and speed of the economic downturn....Unless positive steps are taken, there is danger that we may have a full-blown depression." -- Walter Reuther, president of the Congress of Industrial Organizations, in a CIO executive board report March 25,

"We are headed for serious trouble unless there is prompt governmental action...It is...dangerous to belittle the current recession from the peak of economic activity... To bring the nation on the highroad to sustained prosperity, not further study but timely action is needed." -- George Meany, head of the American Federation of Labor, in AFL executive council report Feb. 5.

## WHICH IS RIGHT?

Legislators and their staffs must try to ascertain which of these diagnoses is right, and their decisions will have an important bearing on tax and economic legislation.

A variety of lobby and organizational programs for maintaining a prosperous, expanding economy are under study. Most of these proposals are based on the assumption that, since U.S. population and consumer needs are on the increase, production must be kept dynamic.

However, differences exist over method, Most business groups say a dynamic economy can be achieved only if business is granted tax relief and offered other incentives to invest and expand.

But labor and consumer organizations contend that the core of any healthy economy is full employment and high consumer spending power. They say the "trickledown theory" was tried, and proved a failure, back in the days of Presidents Harding and Coolidge.

Here are some of the programs now under study by Congressmen and federal officials:

## 1. Business Proposals

The Chamber of Commerce is urging a six-point legislative program for strengthening the economy and "preserving the free market system." It includes adoption of the Chamber's new social-security plan under which, the group's officials claim, coverage would be extended to millions now excluded from benefits, and minimum benefits would be raised (however, the plan's critics say it would actually result in inadequate coverage)

Chamber officials urge expansion of the present system of unemployment compensation, "but without endangering the position of state governments in the federalstate unemployment compensation system."

They propose various tax reforms, including elimination of double taxation on dividends; "more realistic deductions for depreciation;" tax incentives for direct overseas investment; extension from one year to two of the period for which business can carry back losses for income tax purposes; and specification that only such portion of the corporate surplus as is determined to be unreasonable should be subject to the penalty tax.

Other points in the Chamber program: "Simplification" of Federal Housing Administration operations and abolition of public housing; strengthening of the federallyaided highway system; and return of flexible price supports in agriculture.

The Chamber is currently waging a "Jobs, Markets and Production" campaign under which local chambers and businessmen are being urged to cooperate in efforts to "shore up production" and raise standards of living in their respective communities.

#### NAM

NAM's program is based on the assumption that the nation cannot depend only on federal action in case of an economic slump. It is chiefly a job for individual remedies in a "framework established by government," NAM spokesmen believe.

No. 1 goal of NAM is a balanced federal budget, Following that, officials believe, further reduction of expenditures can be achieved by "tightening the criteria" for foreign military and economic aid programs, and by shifting certain federal activities to private enterprise and state and local governments.

NAM president McClellan feels that corporate investment in 1975 should be double what it is today, if production is to keep pace with growing population.

## 2. Labor Programs

In direct opposition to the basic premises of these business proposals, the CIO is offering its own 10-point program, designed to strengthen private consumer buying.

"The first basic step in a full employment program is to raise the present \$600 individual federal income tax exemption," CIO economists say. "Most of this tax relief would go to low and middle income families and this will stimulate consumption and start the wheels of industry moving at a faster rate,"

Raising the minimum wage, strengthening collective bargaining, substantial boosts in unemployment compensation, a stepped-up public housing program, improved social security (as provided in the Lehman-Dingell bills, S 2260 and HR 6034), adequate credit for small business, and a well-planned system of public works -- all these steps are urged by CiO.

CIO officials oppose flexible farm supports as "ignoring needs of family farmers."

National CIO headquarters is pushing prompt establishment of state full employment committees to campaign for local and federal adoption of this program.

#### AFL.

AFL's economic proposals contain many of the same over-all features as CIO's. In addition, AFL spokesmen recommend that adequate provision be made to wipe out the "great deficiencies" in educational, health and welfare facilities and services and to strengthen natural resource development and conservation.

## 3. Farm Programs

Farm lobbies are split over methods of maintaining a prosperous economy. The American Farm Bureau Federation and the National Grange lay great stress on preserving the private enterprise system and ignoring proposals of "left-wing dreamers." National Farmers Union officials contend that government should play a greater part in helping avert depression.

AFBF policies are directed toward "managing budget, taxes and monetary matters in such a way as to encourage high employment and rising productivity," encouraging advantageous trade with foreign countries, and use of flexible price supports.

Grange spokesmen say that flexible price supports have advantages over high-level fixed supports, but that "we cannot move to flexible supports in the case of wheat and cotton until we have bolstered the market sufficiently."

Says Farmers Union President James G. Patton: "We must get an enormous expansion in consumption to match our rapidly growing productive power. This is our economic problem Number One." To do this, the Farmers Union recommends curtailment of monopolistic practices "which are getting the price structure out of line"; consumer tax relief; expanded social security and unemployment benefits, and higher minimum wages. It advocates fixed price supports at 100 per cent of parity.

## 4. Study-Group Proposals

In this debate over the extent of governmental participation in averting depression, the Committee for Economic Development has offered a program.

CED officials say that business should alert itself sales-wise, now that a buyer's market prevails. They believe that the Administration's present economic program will prevent serious recession. However, should such a decline develop, they say, substantial "across-the-board" cuts in individual income taxes should be enacted, together with an expanded public works program.

Businessmen should also act immediately to develop more stable inventory policies, rely less on short-term borrowing, and develop new products and production methods, says CED.

## PLANNING ASSOCIATION

"Personal consumption must go up if we are to have continued economic expansion" -- that, in a nutshell, is the philosophy of the National Planning Association. Says NPA chief economist Gerhard Colm: "Business cannot be expected to expand unless markets are growing....consumption should increase more than in proportion to the growth of the economy as a whole.

## LOBBYIST REGISTRATIONS

Key: (R) = registrant, (E) = employer, client, (LI) = legislative interest. (PR) = previous registration. (S) = salary. (X) = expenses.

- J. MILTON COOPER, 505 Washington Building,
- Washington, D. C. Filed 3/24/54 Sullivan, Bernard, Shea & Kenney, Ring Building (E) Washington, D. C.
- (LI)HR 8300.
- \$2,500; additional compensation to be (S) Retainer: mutually agreed upon.
- (PR) (See CQ Weekly Report, p. 379)
- F. B. NORTHRUP (Executive director), 1507 M (R) Street, N.W., Washington, D. C. Filed 3/23/54.
- National Cigar Leaf Tobacco Association, Inc., 1507 M Street, N.W., Washington, D. C.
- (LI) All legislation which might affect tobacco growers and dealers.
- (S) \$7,500 per year.
- WATERWAYS COUNCIL OPPOSED TO REGU-LATION EXTENSION, c/o Mr. David Wright (chairman), 21 West Street, New York, N.Y. Filed 3/19/54
- S 3111 and legislation related to regulation of bulk carriers
- (R) COMMITTEE ON LAWS, NATIONAL BOARD OF FIRE UNDERWRITERS, 85 John Street, New York, N. Y. Filed 3/19/54. Washington representative is Clarence O. Klocksin.
- (LI) Legislation affecting the stock of fire insurance
- RAYMOND E. HUGHES, (Asst. to general counsel), (R) 85 John Street, New York, N.Y.
- National Board of Fire Underwriters (see above) (E)
- (LI) (Same as above)
- (S) \$25 per day and normal travel expenses.
- J. RAYMOND BERRY, (general counsel), 85 John Street, New York 28, New York Filed 3/19/54.
- National Board of Fire Underwriters (see above)
- (LI) (Same as above)
- \$100 per day. (S)

## PRESSURE POINTS

HEALTH. The Chamber of Commerce of the U.S. criticized President Eisenhower's health reinsurance proposal March 27 as a "first step in the direction of socialized medicine." Said Edwin J. Faulkner, president of Woodmen Accident Co., representing the Chamber: "(the program)" would add nothing to the present rapidly expanding and successful system" of private health plans.

"All right, so there is an oil lobby and it is powerful....This lobby brings pressure on Congress in many ways: By publishing ... studies; by factual briefs and presentations in open committee hearings; and by private conversations with Members of Congress....Right now is the time for this lobby to get into high gear again." --Editorial from the "Oil and Gas Journal" circulated by Independent Petroleum Association of America March 25, in connection with efforts to obtain a change in the oil and gas depletion allowance, through Congressional action this session.

## Registration Totals

The Federal Regulation of Lobbying Act which became effective Aug. 2, 1946 requires the registrations of all persons attempting to influence federal legisla-

This CO tabulation provides the total, active and inactive, of those who have registered under the Act, and the total number of registrations.\*

## AUG. 2, 1946, TO MAR, 26, 1954

| Total Registrants            |       | 2,639 |
|------------------------------|-------|-------|
| Individuals                  | 2,329 |       |
| Organizations                | 215   |       |
| Law & Public Relations Firms | 95    |       |
| Total Registrations          |       | 3,424 |

\*Many registrants register for several different employers and some reregister for the same employer, thus the number of registrations is larger than the number of registrants.

GAS. Leaders in the natural gas industry discussed ways of promoting the industry's public information program, at a Public Information Workshop Conference sponsored in New Orleans March 29 by the Independent Natural Gas Association of America. This was the second conference of its sort to be sponsored by the Association as part of its information campaign.

ST, LAWRENCE, The lobby battle over the proposed St. Lawrence Seaway continued. On March 29 the National St. Lawrence Project Conference accused the Great Lakes-St. Lawrence Association of "a cute little trick" of having Congressmen issue testimonials favoring the Seaway. "(The Association) gets most of its support from steel companies that want the Seaway as a subsidized means of moving their ore down from Labrador," said National officials.

GOLD STANDARD. A petition signed by 51 monetary economists, urging Congress to enact the Bridges-Reece Gold Standard Bill (S 2332 and HR 6230) was mailed to Congressmen March 29 by the Economists' National Committee on Monetary Policy. All signers are members of the Committee. The bill, said Committee officials, would give U.S. citizens "benefits of a gold standard and redeemable currency at the statutory rate of \$35 per fine ounce of gold."

KOHLBERG, Alfred Kohlberg, New York City textile executive who frequently issues pro-Nationalist-China literature, proposed March 25 a standard for judging the McCarthy controversy. In a letter mailed to Congressmen, editors and the public, Kohlberg urged readers to get copies of the Daily Worker dealing with McCarthy, and a broadcast by George Sokolsky on the same subject. "To the extent you agreed with Solkolsky's points, check yourself for Conservatism. To the extent you agreed with The Daily Worker's points, check yourself for extreme Leftism," suggested Kohlberg.

## COMMITTEE TESTIMONY

These representatives of national organizations were among those who testified before Congressional committees March 22-29. Subjects. date, organizational background, and committee or subcommittee are indicated. (For additional information see Committee Roundup.)

#### SENATE

HOUSING. Committee on Banking and Currency. S 2938, Administration Housing Bill.

Testified For:
March 22, James J. O'Malley, National Savings and Loan League
Fred W. Tuemmler, American Institute of Planners.
March 23. R. G. Hughes, National Association of Home Builders.

March 25. Harry Held, National Association of Mutual Savings Banks. Testified Against: March 23, Charles E. Foster, Disabled American Veterans.

Testified:

March 22. Arthur J. Packard, American Hotel Association. H. Daniel Carpenter, National Federation of Settlement and Neighborhood

March 23. M. K. M. Murphy, U. S. Savings and Loan League. March 24. Ira S. Robbins, National Housing Conference. John H. Moore, United Community Defense Services. B. E. Grantham, National Institute of Farm Brokers.

Institute of FATH BYOMETS.

March 25. Wallace J. Campbell, Cooperative League. Bernard
Weitzer, Jewish War Veterans, Eleanor Hadley, American Association of Social Workers.

Recommended Amendments:
March 24. Clarence Mitchell, National Association for the Advancement of Colored People. Henry DuLaurence, National Apartment Owners Association, Inc.

Organizational Data:

National Savings and Loan League -- 720 members; HQ: Washington,

D. C.; President, Clifford P. Ailen, III.
National Association of Home Builders--29,000 members; HQ: Washington, D. C.; President, R. G. Hughes.

Disabled American Veterans -- 186,000 members; HQ: Washington,

D. C.: President, Howard Watt.

American Hotel Association -- 6,000 hotels, 54 chapters; HQ: New

York, N. Y.; President, Albert Pick, Jr.
U. S. Savings and Loan League--4,100 members doing 90 per cent of business; HQ: Chicago, Ill.; President, Norman Strunk. National Housing Conference -- 3-4,000 individuals and organizations;

HQ: New York, N. Y.; President, Ira S. Robbins. Cooperative League of USA--2,000,000 farm families; HQ: Chicago,

III.; President, Murray D. Lincoln. Jewish War Veterans -- 100,000 veterans; HQ: Washington, D. C.;

President, Harry T. Madison.

National Association for the Advancement of Colored People-250,000 members; HQ: New York, N. Y.; President Arthur Spingarn.

VESSEL TONNAGE: Committee on Interstate and Foreign Commerce, Subcommittee on Water Transportation. S 2814, to amend Statutes re computation of net tonnage

Testified For:
March 22. Edward Phillips, American Merchant Marine Institute.

Organizational Data:
American Merchant Marine Institute -- 63 companies; HQ: New York, N. Y.; President, Walter B. Maloney.

TRADE MARKS: Committee on the Judiciary, S 2540, protection of trade-marks used in commerce.

Testified For: (Also suggested amendments)

March 25, Wallace H. Martin, National Association of Manufacturers. Andrew Klein, American Bar Association. Francis Browne, American Patent Law Association.

Organizational Data:

American Bar Association -- 50,000 members; HQ: Chicago, Ill., President, William J. Jameson.

American Patent Law Association--1,460 members; HQ: Washington, D. C.; President, Foorman L. Mueller.

NIAGARA POWER DEVELOPMENT: Committee on Public Works. Niagara power facilities development.

Suggested amendments:
March 29. Clyde T. Ellis, National Rural Electric Cooperatives. Angus MacDonald, National Farmers Union.

Organizational Data:

National Rural Electric Cooperatives -- 937 cooperatives representing 3,555,000 consumers; HQ: Washington, D. C.; President, J. E. Smith.
National Farmers Union-500,000 members in 15 state chapters; HQ: Denver, Colo.; President, James G. Patton.

TRANSFER OF VESSELS: Committee on Interstate and Foreign Commerce, Subcommittee on Water Transportation. Transfer of American vessels to foreign flag.

Testified For:
March 24. George Morgan, Association of American Ship Owners. James Stuart and Marvin Coles, both of American Trampship Owners Association, Inc.

Testified Against:
March 24. Hoyt Haddock, Congress of Industrial Organizations. Organizational Data:

Association of American Ship Owners--HQ: New York, N. Y.; President, George W. Morgan.

Congress of Industrial Organizations -- 6,000,000 members; councils in all states. HQ: Washington, D. C.; President, Walter P. Reuther.

#### HOUSE

FARM PROGRAM: Committee on Agriculture. Administration farm program.

Testified:
March 24. Jay Taylor, American National Cattlemen's Association Floyd Elliott, United Livestock Producers Association. Dave Turner, Cattle Producers Price Support Association.

Testified Against March 25, M. W. M. W. Thatcher, National Federation of Grain Cooperatives

Organizational Data

American National Cattlemen's Association -- 100,000 members in 23 states; President, Jay Taylor.

National Federation of Grain Cooperatives -- Mo. e than 1 million members in 22 regional cooperatives; HQ: Washington, D. C.; President, M. W. Thatcher.

FEDERAL EMPLOYEE PAY INCREASES: Committee on Post Office and Civil Service.

Testified: March 25. Frank E. Russell, National Star Route Mail Carriers Association.

Organizational Data:

National Star Route Mail Carriers Association -- 7,000 members in 48 state branches; HQ: Washington, D. C.; President, Frank E. Russell.

VA OFFICE, ATLANTA, GA: Committee on Veterans' Affairs; Subcommittee on Insurance and Administration. H.R. 8311, on consolidation of veterans' insurance offices.

Testifie 1: March 23. T. O. Kraabel and Miles Kennedy, American Legion. Cicero Hogan, Disabled American Veterans.

Organizational Data: American Legion--3,000,000 Members; HQ: Washington, D.C.; National Commander, Arthur J. Connell.

POSTAL EMPLOYEE SALARIES: Committee on Post Office and Civil Service. Proposed Postal workers' pay increases

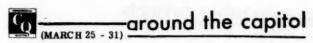
Testified: March 23. Ross A. Messer, National Association of Post Office and General Services Maintenance Employees

Testified For: March 24. C. B. Gravitt, Jr., National League of District Post-Harold McAvoy, National Association of Post Office and

Postal Transportation Service Mail Handlers, Watchmen and Messen-

Organizational Data

National League of District Postmasters--26,000 members in 54 branches; HQ: Washington, D. C.; President, Lawrence P. Jones.



## ATOMIC INFORMATION

Congressmen, concerned over results of the experimental hydrogen bomb explosion in the Pacific March 1 (CQ Weekly Report p. 364), called for more public information on U.S. atomic power and strengthening of defenses. (For Administration announcements on nuclear developments, see pages 414,415).

Rep. Chet Holifield (D Calif.) said March 29 he had written to President Eisenhower asking him to clear up publicly "the rumors, distortions and part-truths" circulated about the March 1 blast. Holifield, a member of the Joint Atomic Energy Committee, returned recently from the Pacific test area.

Rep. John W. McCormack (D Mass.) commended Holifield and said a Communist atomic attack against the U.S. would cause from 10 to 30 million casualties. He said the U.S. should strengthen its defenses against a "sneak attack."

Rep. Michael A. Feighan (DOhio) said he would introduce a bill to supply more atomic energy information to the people and widen cooperation on the subject with our allies.

In a second House speech, March 30, Holifield said adequate defense "against atomic-hydrogen weapon attack is a delusion," and that civil defense agency plans to evacuate American cities in advance of attack "is a confession of failure and desperation." The only hope, he said was an informed and aroused public.

Sen. Stuart Symington (D Mo.) March 30 charged in a Senate speech that Pentagon officials were withholding vital information needed by Congress to make decisions on defense policies and funds. He said defense leaders "never tell the American people anything about Soviet striking power" although Russia now has hydrogen and atomic weapons and new long-range bombers to deliver them.

## LEGISLATIVE PROGRAM

Sen <u>Homer Ferguson</u> (R Mich.) announced March 29 that the Senate Republican Policy Committee had agreed to speed up action on President Eisenhower's legislative program.

He said a \$1.1 billion highway construction bill (see pages 407-8) would be brought to the Senate soon and reported that chairmen of individual committees planned to have ready for Senate action by May 1 bills authorizing new housing, hospital construction, vocational rehabilitation and reinsurance of private hospital plans. Bills expected to be reported in April included ones on flexible farm price supports and depriving of citizenship persons convicted of conspiring to overthrow the government.

## Fifth Amendment Totals

Rep. Fred E, Busbey (R III.) March 31 told the House that a total of 305 witnesses before Congressional committees in 1953 invoked the Fifth Amendment in refusing to answer questions. Busbey said 169 persons claimed the privilege in testimony before Senate groups, while 148 of them refused to answer before House committees. (Included in the total were 12 who appeared before more than one committee).

Busbey broke down the total by occupations. He said 85 once worked for the federal government, and eight others for state governments.

Other occupations: Elementary or secondary education - - 40 Higher education - - 57 Arts or entertainment - - 26 Authors, editors and literary critics - - 28 Printing and publishing - - 13.

Busbey urged House consideration of the figures in asking approval for measures (HR 4975 and H Res 29) that would grant immunity from prosecution in certain cases of testimony before committees.

References: For Fifth Amendment history, see CQ Almanac, Vol. IX, 1953, p. 72. Also, CQ Weekly Report, p. 77.

## CONGRESSIONAL BRIEFS

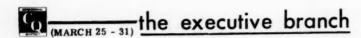
## McCARTHY PAYS POSTAGE

Postmaster General Arthur E. Summerfield announced March 31 that Sen. Joseph R. McCarthy (R Wis.) had "voluntarily" paid the Post Office Department more than \$200 in reimbursement for franked 1952 mailings which had been challenged by Democratic Postmaster General Jesse M. Donaldson. After Sen. Herbert H. Lehman (D N.Y.) revived the issue June 11, 1953, Donaldson ordered a renewed investigation.

## DAIRY SUPPORT PLAN

Senate Agriculture Committee Chairman George D. Aiken (R Vt.) and Committee Member Clinton P. Anderson (D N.M.) proposed a new price support system for dairy products to assure producers "about 80 per cent of parity" in legislation (S 3208) introduced March 30.

The bill was offered in the face of the order by Agriculture Secretary Ezra Taft Benson dropping dairy price supports from 90 per cent to 75 per cent of parity effective April 1.



## FOREIGN TRADE MESSAGE

On March 30, President Eisenhower forwarded to Congress a message on foreign trade policy which he described as "a minimum program which should be judged as a whole" and consisting of "four major parts:

"Aid---which we wish to curtail

"Investment --- which we wish to encourage

"Convertibility --- which we wish to facilitate, and

"Trade --- which we wish to expand."

The message followed closely the report of the Randall Commission (CQ Weekly Report, pp. 136-137). It urged, "gradual and selective revision of our tariffs," with a three-year renewal of the Reciprocal Trade Agreements Act, including authority to negotiate reduction of existing U.S. tariffs by not more than five per cent a year; reduction by not more than half, of present tariffs on goods not being imported or imported in very small quantity; reduction to 50 per cent ad valorem of rates now in excess of that amount.

Other recommendations:

Encouragement of investment abroad, by methods already recommended in the administration's tax program and by broadening of the guarantees against losses on new investment under the Mutual Security Program; and

Liberalization of the Buy American Act in the case of bidders from countries that give equal treatment to U.S. bidders.

Passage of HR 8352, a bill which permits tourists to bring in \$1,000 worth of foreign purchases duty free.

Terminate economic grant aid as soon as possible, though "modest amounts" of further aid may be necessary in some cases in the interests of security. Wherever possible, loans not grants should be made. Technical cooperation should be "pressed forward vigorously," but should concentrate on knowhow rather than large funds or shipments of goods.

Curtailment of aid programs will increase pressures for resumption of East-West trade. Properly safeguarded, "a greater exchange of peaceful goods....should not cause us undue concern."

Steps toward convertibility "deserve our encouragement." The Randall Commission's recommendations for "strengthening the gold and dollar reserves of countries which have prepared themselves for convertibility by sound internal and external policies" are sound. They do not require new legislative authority.

With regard to the Commission's recommendations on policy for raw materials, especially minerals, President Eisenhower indicated general agreement, but announced appointment of a Cabinet committee to consider the matter further. Concluding his message, the President said: "For our own economic growth we must have continuously expanding world markets; for our security we require that our Allies become economically

## Eisenhower Meets Press

In his 33rd news conference, President Eisenhower March 31 said the \$999 million Excise Tax Reduction Act of 1954 (HR 8224) would help stimulate business. (See page 417).

Chairman Lewis L. Strauss of the Atomic Energy Commission, who appeared at the conference to discuss the H-bomb tests, said it was possible to produce a hydrogen bomb powerful enough to destroy any city in the world.

The President:

Announced that the federal government would act in the New York waterfront strike if necessary

Declared that the call for "united action" against the Communist threat to Southeast Asia made by Secretary of State John Foster Dulles (see page 415) meant there must be preparedness to meet any kind of attack

Said his foreign trade program, submitted to Congress March 30 (see adjoining column) was keyed to the idea that healthy two-way trade is the best insurance against the doctrine of statism

Urged both sides in the Arab-Israel dispute to restrain their extremists, use what he termed a little reason and take advantage of outside judgments

Commenting on recent retirement of key government officials, said a certain amount of rotation is a good thing.

strong. Expanding trade is the only adequate solution for these two pressing problems confronting our country."

Reaction.

Rep. Charles A. Halleck (R Ind.) -- The President's proposals "provide a clear and forthright basis for action as contrasted to the piecemeal and often conflicting policies of the previous Administration."

Rep. Robert W. Kean (R N.J.) -- A gradual reduction of tariffs is desirable.

Sen. Homer Ferguson (R Mich.) -- "The President has proposed an impressive program for putting our foreign relations on a sound progressive basis."

Sen. Bourke B. Hickenlooper (R Iowa), a member of the Randall Commission -- "The President's recommendations constitute a moderate and forward-looking program."

Sen. William F. Knowland (R Calif.) -- Agreed with a "good deal" of the message, but "there might be some parts which I expect Congress would revise."

O. R. Strackbein, chairman of the Nation-Wide Committee of Industry, Agriculture and Labor on Import-Export Policy -- "To the tens of thousands of workers who are already out of work ... because of unfair import competition, the message offers a dismal diet, namely, the empty dinner pail and the dole."

Charles P. Taft, president of the Committee for a National Trade Policy -- "The United States has everything to gain from a trade policy that will permit an expansion of trade."

Richard L. Bowditch, president of the United States Chamber of Commerce -- The President's message presents a "forward looking program."

#### MATERIALS STOCKPILE

President Eisenhower March 26 announced a new policy for stockpiling strategic materials and in a directive to the Office of Defense Mobilization ordered it put into operation as soon as possible.

The program calls for a review by ODM of stockpile objectives in the light of the new policy. "It is estimated," a White House statement said, "that the new program will result in additional government acquisitions of from 35 to 40 metals and minerals to be purchased, whenever possible, from domestic producers, and to be spread out over a considerable period of time." In making new purchases, preference will be given to newly-mined metals and minerals of domestic origin.

Republican Senators from the mining states acclaimed the order. Wallace F. Bennett (Utah) said "I welcome this program as an evidence of the Administration's good will toward our domestic mining industry which has long been in dire need of solid assistance." Henry C. Dworshak (Idaho) said he was confident lead and zinc would be among the metals stockpiled. However, he declared the new policy gave only temporary relief and that the real solution was to slow imports of lead and zinc. Arthur V. Watkins (Utah) said, "If the buying for stockpiling is sufficiently large, and I have assurances it will be, this will contribute to the reopening of mines now closed and will help keep in operation mines now on the verge of closing."

## TAFT-HARTLEY

President Eisenhower said March 26 that nothing in the (Taft-Hartley) Labor - Management Relations Act of 1947 should prevent any state from "dealing with" a labor dispute that "is endangering or will endanger the health and safety" of its citizens. In letters to the Chairmen of the Senate and House Labor Committees, the President asked that the states be given more power in labor-management disputes. Chairman H. Alexander Smith (R N.J.) of the Senate group discontinued hearings March 25 pending a statement on the matter from Mr. Eisenhower. (CQ Weekly Report, p. 390).

## GAS BILL SIGNED

President Eisenhower March 27 signed into law legislation (HR 5976; Public Law 323) prohibiting the Federal Power Commission from regulating utilities which transport natural gas within state boundaries, if the state in question desires jurisdiction in regulation. (CQ Weekly Report, p. 350).

The President said he signed the bill "because of my conviction that the interests of the individual citizen will be better protected when they remain under state and local control than when they are regulated or controlled by the federal government."

### н-вомв

Appearing before President Eisenhower's March 31 news conference, (see page 415) Chairman Lewis L. Strauss of the Atomic Energy Commission said a hydrogen bomb can now be made powerful enough to destroy any city in the world.

March 29 he announced a second thermonuclear (hydrogen) explosion was set off March 26 at the Pacific testing area (CQ Weekly Report, p. 392). He said "information highly important to national defense is being derived from this test series."

At the President's news conference, Strauss said the March I and 26 tests were successful. He denied reports that the first blast went out of control. He said it was about twice what scientists had expected, but the margin of error was not unusual "with a totally new weapon."

## SOUTHEAST ASIA

Secretary of State John Foster Dulles March 29 called for "united action" by the free world to block Communist aggression in Southeast Asia.

In a foreign policy address to the Overseas Press Club in New York, Dulles also said Red China cannot buy her way into the United Nations with promises. He accused Chinese Reds of supporting aggression in Indo-China with the aim of controlling all Southeast Asia with its raw materials and important sea and air routes.

He said meeting the Red China threat with united action might involve "serious risks" but the risks are "far less than those that will face us a few years from now if we dare not be resolute today."

## SUPPLEMENTAL FUNDS

President Eisenhower March 26 asked Congress for supplemental appropriations of \$3,687,745 for research against hoof and mouth disease in cattle and for payment of claims and judgments against the U.S.

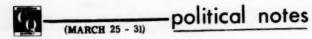
The President March 31 requested a supplemental appropriation of \$1,825,000 for the Reclamation Bureau to let work start on five irrigation projects, in Wyoming, North Dakota, Montana, Nebraska, and Nevada.

## SABOTAGE

Attorney General Herbert Brownell, Jr. announced April 1 he has proposed legislation to broaden the sabotage laws to guard the nation against radioactive, biological or chemical materials. His recommendations would make applicable penalties for sabotage in times of defense activity as well as wartime and broaden the definition of "war materials or premises."

#### SOVIET SECURITY PROPOSAL

The State Department March 31 released a formal rejection of a proposal made the same day by Soviet Foreign Minister Molotov that the United States join a Russian-proposed European Security Pact. Thereafter, under the plan, the Soviet Union would consider joining the North Atlantic Treaty Organization.



## COMMENTS ON SEN. McCARTHY

Sen. Joseph R. McCarthy (R Wis.) came in for criticism from Republican and Democratic leaders. Chairman Leonard W. Hall of the Republican National Committee told a GOP rally in Omaha March 27 that McCarthy "has done more harm than good" in his dispute with the Army, and said the feud "has hurt" the GOP.

Democratic National Chairman Stepen A. Mitchell said in Gary, Ind., March 27 that he doubts "if the average citizen even recalls the President has a program" because of the dust raised by the McCarthy-Army row. Without mentioning McCarthy by name, former President Truman said in Kansas City March 26, "that great investigator" should go to work for the Russians since "he wouldn't be bothered by the Russians because they wouldn't object to his methods."

Sen. A. S. Mike Monroney (D Okla.), who has been decribed as a "waterboy for leftwingers" by McCarthy, said March 27 that "I was voting for laws strengthening our fight against subversion..when Sen. McCarthy was accepting the support of the Communists." McCarthy's probes have not resulted in a single Communist conviction, according to Monroney. On March 28 Rep. Ed Edmondson (D Okla.) urged Democrats to conduct "a grass roots campaign" this year to defeat Republican "big smear" and "big money" tactics.

## "JOE MUST GO CLUB"

A campaign to recall McCarthy led to a "Joe Must Go Club" on March 28 when about 500 Wisconsinites organized at Sauk City, Wis. Leroy Gore, Republican editor of the Sauk City Prairie Star and who started the recall movement, said March 24 that despite warnings it might be unconstitutional, he"couldn't stop this thing now even if I wanted to." Secretary of State Fred R. Zimmerman (R) 71, a former governor who has been critical of McCarthy, stated March 30 that he would be available to run for the Senate if the recall movement proves successful.

McCarthy had no comment on the recall movement. He said that he was getting far more mail than any other Senator and virtually all of it was extremely sympathetic to him. John Chapple, editor of the Ashland, Wis.,  $D_{\rm q}$  ily Press, said March 29 that influences outside of Wisconsin are trying to "engineer a hatchet job on Joe McCarthy."

## GOP OMAHA RALLY

Midwestern and Rocky Mountain GOP political leaders meeting in Omaha passed resolutions March 27 urging Congress to adopt "a farm program we all can go out and sell" and stating the Eisenhower program will have first-rate voter appeal. Sen. Milton R. Young (R N.D.) said March 29 that if the President continues to push his flexible price support farm program the Republicans will lose control of Congress.

## STATE ROUNDUP

ARIZONA: Albert B. Sieh (D), Tucson, administrative assistant to Rep. Harold A. Patten (D), March 26 announced his candidacy for Patten's seat. Patten is retiring after serving three terms.

ARKANSAS: The all-Democratic delegation--Reps. E. C. Gathings, Wilbur D. Mills, James W. Trimble, Oren Harris, Brooks Hays and W. F. Norrell--announced for re-election en bloc March 27.

COLORADO: The legislature March 25 enacted a withholding tax law on incomes...Gov. Dan Thornton (R) announced March 27 that he is "not a candidate for any political office in 1954." He did not close the door on a draft. He had been considered the Republicans' "best bet" for the Senate race.

KENTUCKY: Former Vice President Alben W. Barkley (D), 76, a Senator from 1927-48 and Senate Democratic leader 1937-48, announced March 27 he will run for the seat held by John Sherman Cooper (R Ky.) because of "urgent and sincere" requests.

INDIANA: Tilford E. Dudley, assistant CIO-PAC director, March 25 urged a state CIO convention to elect "progressive Congressmen" to help boost employment. Victor G. Reuther, assistant to the CIO president, said Republicans who fail to combat "depression" are the "real spokesmen of gloom and doom."

MAINE: State Democrats adopted a resolution in convention March 27, deploring Congressional investigations "which overstep the bounds of fair play."

MARYLAND: F. Byrne Austin of Takoma Park, former executive director of the War Claims Commission, announced March 28 he will seek the Sixth District Democratic nomination for Congress. Charles M. Irelan of Silver Spring, former U. S. attorney for the District of Columbia, also seeks the nomination. (CQ Weekly Report, p. 298).

NEBRASKA: Sen. Hugh Butler (R) said March 24 he has urged Arthur Weaver, Lincoln insurance man to seek the GOP First District nomination. Rep. Carl T. Curtis (R Neb.) is retiring. (CQ Weekly Report, p. 332)

NEW MEXICO: Maj. Gen. Patrick J. Hurley (R), who contested the seating of Sen. Dennis Chavez (D), said March 24 that unless something is done "the election this fall in New Mexico will be about as free and as secret as one in East Germany or North Korea under Communist control." March 27 Hurley denied a report he was asked to contribute \$100,000 to the GOP to get the Senate nomination in 1952. (CQ Weekly Report, p. 385)

OKLAHOMA: Former Sen. Josh Lee (D), now a member of the Civil Aeronautics Board, said March 30 that he has been asked to run for governor but will not.

VIRGINIA: Dean Brundage, Arlington high school teacher, announced March 27 that he will seek the Democratic nomination for the Tenth District seat now held by Rep. Joel T. Broyhill (R)...By March 30 filing fees had been paid by Sen. A. Willis Robertson (D) Senate; Reps. Edward J. Robeson, Jr. (D), First District, Porter Hardy, Jr. (D), Second district; and William M. Tuck (D), Fifth district; and by J. Walter White (D), Fairfax County attorney, Tenth district.

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## EXCISE TAX CUTS

Action. Congress March 30 approved and sent to the President the Excise Tax Reduction Act of 1954 (HR 8224) which would cut revenue from excise taxes by \$999 million a year and extend for one year excise tax rates which would otherwise be reduced April 1, 1954. House adoption of the conference report was on a 395-1 roll call. The Senate agreed to the conference report on a 72-8 roll call. President Eisenhower signed the bill March 31. It became Public Law 324.

Provisions. As enacted, the bill would:

Extend for one year to April 1, 1955 excise tax rates, scheduled for reduction April 1, 1954, on distilled spirits, wine, beer, cigarettes, gasoline, cars, trucks, busses, motorcycles, parts and accessories and diesel fuel.

Reduce to 10 per cent, effective April 1, 1954: the 20 per cent excise tax on furs, jewelry, luggage, toilet preparations, electric light bulbs and tubes, cameras, lenses and film, leases of safe deposit boxes, and most general admissions if price exceeds 50 cents; the ll per cent excise tax on pistols and revolvers; the 25 per cent tax on long distance telephone calls; the 15 per cent tax on sporting goods, mechancial pens, pencils and lighters, transportation, and local telephone and telegraph messages.

Reduce to five per cent the 10 per cent tax on home appliances such as refrigerators and freezers (but excluding air conditioners), effective April 1, 1954.

Retain: The 20 per cent tax on admissions to horse and dog races and cabarets, and on club dues and initiations; the 11 per cent tax on firearms, shells and cartridges.

Exempt from any excise tax all admissions costing 50 cents or less, and admissions to school athletics (excluding postseason games), to amateur civic theater performances, and to non-profit museums and planetariums.

Require that the tax on regular matches, now two conts per 1,000, and the tax on cutting oil, now six cents per gallon, shall not exceed 10 per cent of the manufacturer's price for these items.

Background.

The House had passed the excise tax bill March 10 with provision for annual excise tax cuts of \$912 million (CQ Weekly Report, p. 313). The Senate passed the bill March 25 with excise tax reductions amounting to \$1,019,000,000. (CQ Weekly Report, pp. 386-7) Both versions included the one-year extension of current higher rates on certain excise taxes which, if reduced as scheduled April 1, 1954, would have meant an annual revenue loss of \$1,077,000,000. (For details on the reductions the bill would postpone, see CQ Weekly Report, p. 288)

Senate-House conferees met to adjust differences in the two versions of the bill, and March 29 reported (H Rept. 1446) a compromise version to reduce excise taxes by \$999 million a year, and postpone the scheduled reductions in excise taxes. The conferees accepted most of the Senate amendments, including the fifty per cent cut in the excise tax on home appliances. They compromised on an exemption for admissions costing 50 cents or less, instead of the 60 cent-level voted by the Senate.

Debate.

Chairman Daniel A. Reed (R N.Y.) of the House Ways and Means Committee March 30 explained the conference report and said: "Under the circumstances (it) appears to be the best compromise possible." Rep. Thomas A. Jenkins (R Ohio) declared the bill "gives complete relief to the hundreds of small moving picture theaters in the country which charge 50 cents or less for admission."

House adoption of the conference report was on a 395-1 roll-call vote. The House Member voting against the bill was Rep. Fred Marshall (D Minn.)

Senate:

Sen. Wayne Morse (I Ore.) said the conference report was "good" but "does not bring to an end the clear obligation of Congress to eliminate most excise taxes and substantially reduce most of those not eliminated."

But Sen. Harry Flood Byrd (D Va.) said he refused to sign the conference report because he opposed the provisions for "a tax reduction to the extent of \$999 million on items mostly in the luxury or semiluxury class, without any attempt whatsoever being made to reduce expenditures or to approach a balanced budget." John Sherman Cooper (R Ky.) said it was his belief that "the administration is opposed to this bill and desires that it shall not pass."

The Senate voted 72-8 to adopt the conference report. The four Democrats and four Republicans who voted "nay" were Sens. Byrd, Richard B. Russell (D Ga.), Lister Hill (D Ala.), Price Daniel (D Tex.), Cooper, John J. Williams (R Del.) William Langer (R N.D.), and Everett M. Dirksen (R III)

Position of President.

President Eisenhower had asked Congress to extend the excise taxes scheduled for reduction. He made no requests for the excise tax reductions voted by Congress and had implied support of Secretary of the Treasury George M. Humphrey's opposition to "across the board" excise tax cuts. (CQ Weekly Report, p. 299).

President Eisenhower told his March 31 news conference the excise tax cuts might help stimulate the economy. He added he hoped the revenue loss would

not be as damaging as anticipated.

Reaction.

General Electric Co., large-scale manufacturer of home appliances, said it would pass the cut in the excise tax on home appliances to the consumer. The National Retail Dry Goods Associations noted it had been fighting against excise taxes for years. C. G. Frantz, chairman of the excise tax committee of the American Home Laundry Manufacturers Association

said the manufacturers would cut their prices to pass on to the consumer the excise tax cut in the bill.

## INDEPENDENT OFFICES

Action. The House March 31 passed by voice vote and sent to the Senate the Independent Offices Appropriation bill (HR 8583) for fiscal 1955 with \$5,566,118,763 in funds for federal agencies. A motion to recommit the bill for revision was rejected on a 180-214 roll call. (For voting, see page 422.)

Summary.

The bill carried \$363,604,837 less than had been requested by President Eisenhower. A provision for 20,000 public housing construction starts in fiscal 1955 was knocked out of the bill. Mr. Eisenhower had asked Congress to authorize 35,000 new public housing units a year over a four-year period.

Provisions. The House voted for these appropriations:

| Executive Office of President        | \$ 8,777,700    |
|--------------------------------------|-----------------|
| American Battle Monuments            |                 |
| Commission                           | 4,275,000       |
| Atomic Energy Commission             | 1,189,960,700   |
| Civil Service Commission             | 47,952,600      |
| Federal Communications Comm.         | 6,544,400       |
| Federal Power Commission             | 4,150,000       |
| Federal Trade Commission             | 4,030,700       |
| General Accounting Office            | 31,981,000      |
| General Services Administration      | 149,063,300     |
| Housing & Home Finance Agency        | 112,568,500     |
| Indian Claims Commission             | 117,000         |
| Interstate Commerce Commission       | 11,670,000      |
| National Advisory Committee for      | ,,              |
| Aeronautics                          | 53,349,000      |
| National Capital Housing Authority   | 43,000          |
| National Capital Planning Commission |                 |
| National Science Foundation          | 11,000,000      |
| Potomac Basin Commission             | 5,000           |
| Renegotiation Board                  | 4,500,000       |
| Securities and Exchange Commission   | 4,700,000       |
| Selective Service System             | 29,003,063      |
| Small Business Administration        | 2,025,000       |
| Smithsonian Institution              | 4,300,000       |
| Subversive Activities Control        | ,,,,,,,,,,      |
| Board                                | 150,000         |
| Tariff Commission                    | 1,250,000       |
| Tennessee Valley Authority           | 103,582,000     |
| Tax Court of U.S.                    | 1,000,000       |
| Veterans' Administration             | 3,779,432,800   |
| Total                                | \$5,566,118,763 |
| a views                              | φυ,υυυ,110,103  |

Background.

President Eisenhower had requested \$5,929,723,600 for the independent offices in fiscal 1955. He asked Congress to provide \$3,892,473,000 for the Veterans Administration, \$141.8 million for the Tennessee Valley Authority, and \$1,342,000,000 for the AEC.

The House Appropriations Committee reported the March 26 (H Rept. 1428) with recommendation for the \$5,566,118,763 in appropriations, all of which were subsequently granted by the House. Included in the Committee bill were legislative riders providing that the TVA be barred from putting limits on the resale rates of power sold by local distributors, and that the TVA be required to pay interest--at the same rate as is paid by

## Target: Public Housing

Congress has hit hard at the public housing program ever since its inception. The lawmakers put the low-rent housing program on a large-scale basis in 1949, when they authorized a six-year, 810,000-unit program with a limit on construction starts of 135,000 units a year.

Ever since 1951, the annual Independent Offices Appropriation bill has authorized fewer public housing construction starts for the upcoming fiscal year. The following table shows the annual limits the House and Senate, and their Appropriations Committees wanted to put on public housing starts:

|                  | 1951   | 1952   | 1953      | 1954      |
|------------------|--------|--------|-----------|-----------|
| House Committee  | 50,000 | 25,000 | -0-       | 20,000    |
| House            |        | 5,000  |           | 35,000*** |
| Senate Committee | 50,000 | 45,000 | 35,000    |           |
| Senate           |        | 45,000 |           |           |
| Final Compromise | 50,000 | 35,000 | *20,000** |           |

\* A limit for fiscal 1953 and subsequent years.

\*\* For fiscal 1954 only, plus the provision that after date of approval of act, no new agreements or contracts be entered into for additional dwelling units or projects.

\*\*\* In doubt since bill as passed by House actually carries no provision for fiscal 1955 construction starts. (See debate in story).

the Treasury--on money advanced for the construction of power facilities.

Another Committee provision would authorize construction starts in fiscal 1955 on 20,000 public housing units already contracted for, with the remainder under contract (about 15,000) to be constructed in fiscal 1956, 'and that this be the end of the program.

In a Jan. 25 message to Congress, President Eisenhower had asked the lawmakers to authorize construction of 140,000 new public housing units over a four-year period, at the rate of 35,000 new units a year. (CQ Weekly Report, p. 144)

In its report, the Committee said language included in last year's Independent Offices Appropriation Bill (P.L. 176) which barred the Public Housing Administration from entering into any "new agreements, contracts or other arrangements, preliminary or otherwise," for additional housing units, had not been included in this year's bill "as it is permanent in effect, and the proposal in the Budget to repeal the section is denied.

The House Rules Committee March 29 refused to send the bill to the House floor under a rule which would have waived "points of order" against provisions in the bill. This meant that any House member could object to provisions as "legislation on an appropriation bill, forbidden under House Rules.

Debate.

The House began consideration of the bill March 29. During March 30 debate, Rep. Howard W. Smith (D Va.) made a point of order against the provision for 20,000 public housing construction starts in fiscal 1955 as legislation which "changes existing law under last year's act." He said that under the 1953 proviso banning new commitments for public housing construction, "not a single unit of public housing can be contracted for until it is authorized by Congress,' that the authorization didn't belong in an appropriation

The point of order was sustained and the provision for 20,000 public housing construction starts in fiscal 1955 knocked out of the bill.

GOP House leader Charles A. Halleck (R. Ind.), however, said deletion of the provision would "permit the construction" in fiscal 1955 of up to 35,000 public housing units because that was the limit set in the 1952 Appropriation bill for fiscal 1953 and subsequent years. He said the restricting language of the 1953 money bill had "referred to new contracts or arrangements. It did not refer to existing contractual obligations.

Halleck said a ruling of the Comptroller General's office, and the opinion of the Housing Administrator was that if the 20,000 limit for fiscal 1955 was deleted, the Public Housing Administration could begin construction in fiscal 1955 on 35,000 units already contracted for, since last year's ban applied only to new commitments, and last year's authorization was only for fiscal 1954. Halleck said the 35,000 annual limit set in 1952 would therefore still be in effect for the units already under contract.

Rep. George W. Andrews (D Ala.) raised a point of order against the legislative provisions to require the TVA to pay interest to the Treasury on appropriations for construction, and to bar the TVA from limiting power resale rates. The point of order was sustained and the amendments stricken from the bill.

Other points of order which were sustained March 30 resulted in rejection and deletion of amendments which would have prohibited use of Federal Power Commission funds for regulation of rates on any basis other than legitimate cost less accrued depreciation; and declared the bill's appropriations for national Capital Park land acquisition to be the "final appropriation,

On March 31, three amendments to increase funds for the TVA were rejected. Rep. Ralph W. Gwinn (R N.Y.) called TVA "America's first much-touted, great, Socialist, Communist experiment.

Before passage, Rep. Sidney R. Yates (D III.) made a motion to recommit the bill with instructions to include his amendment which would restrict the Federal National Mortgage Association from selling mortgages at less than par. The motion was rejected on a 180-214 rollcall vote. Voice vote passage of the bill followed.

Reaction.

Opinion on the result of deleting the public housing provision varied. President Eisenhower told his March 31 news conference he was delighted that GOP House leaders had won assurance of permission to start construction on 35,000 units in fiscal 1955. (See page 414) House Speaker Joseph W. Martin, Jr. (R Mass.) agreed with the President's interpretation,

But Rep. John Taber (R N.Y.), chairman of the House Appropriations Committee, said the striking of the amendment eliminated authority for any public housing starts at all.

Amendment agreed to (March 30).

John Phillips (R Calif.) -- Provide that no funds be used for predominantly residential slum clearance or

urban redevelopment projects where incidental uses are not restricted to those normally essential for residential uses. Voice vote.

Amendments rejected (March 31).

George W. Andrews (D Ala.) -- Appropriate \$188,358,000 for the TVA instead of \$103,582,000 as proposed by Committee. Standing, 87-139. Tellers, 121-154.

Howard H. Baker (R Tenn.) -- Appropriate \$141.8 million for the TVA in lieu of \$103,582,000 Committee recommendation. Standing, 118-158. Tellers, 132-146. Jere Cooper (D Tenn.) -- Amend Baker proposal to

provide \$171.8 million for the TVA. Voice.

Sidney R. Yates (D Ill.) -- Provide that no funds in bill be used for expenses in connection with Federal National Mortgage Association sale of mortgages at a price less than their par value. Standing, 96-167.

Joel T. Broyhill (R Va.) -- Appropriate \$16.4 million for construction of an atomic-proof veterans' hospital

in the District of Columbia. Voice.

Phillips -- Bar use of VA funds in bill for outpatient dental services where service-connected disability is not shown to have been in existence at time of discharge or application is not made within one year after discharge or by July 27, 1954, which ever is later. Voice.

## HOUSING

Action. The House April I began debate on HR 7839, the Administration's housing bill.

Provisions. HR 7839 would:

Give the President authority to set interest rates on FHA and GI loans

Provide more liberal loans for many types of home improvements

Give the President authority to cut down payments and extend the renayment period on government-insured new or old houses

Reorganize the Federal National Mortgage Association and provide for its gradual shift to private owner-

Authorize liberalized loan terms for slum clearance projects.

Background.

The House Banking and Currency Committee reported the bill favorably March 27, having concluded hearings March 18. (CQ Weekly Report, p. 361) The Committee did not write in any public housing provisions. President Eisenhower had requested 35,000 public housing units a year for the next four years. (CQ Weekly Report on, 237-239). For action on public housing in the Independent Offices Appropriation bill, see above story, starting page 418. The Senate Banking and Currency Committee, after three weeks of hearings on a companion bill S 2938 (CQ Weekly Report pp. 323, 360, 393), recessed March 25, subject to call.

Debate.

Chairman Jesse P. Wolcott (R Mich.) of the Banking and Currency Committee said the bill contained 99 per cent of the President's housing program. It would make it possible, he said, for "the American people to have something over 2,000,000 units of housing a year.

Rep. Howard W. Smith (D Va.) said the Republicans were "hitch-hiking on the New Deal bandwagon" with housing proposals they once had denounced as "socialistic.

Rep. Wright Patman (D Tex.) opposed the bill as "anti-veteran, a banker's bill, a high-interest bill."

Rep. Charles B , Brownson (R Ind.) who offered an amendment to lower proposed minimum down payments on FHA-insured old or new homes, said down payments are not low enough in view of the rising cost of housing.

Wolcott said the schedule provided in the bill was

as low as experts considered safe.

Rep. Abraham J. Multer (D N.Y.) proposed an amendment to strike from the bill provisions giving the President authority to lower the amount of mortgage down payments if he felt the economic situation required it. He said the provision gives the President "full control over all real estate credit."

Wolcott replied that the provision merely tied the housing program to the general economy of the nation.

Amendment agreed to

Charles B. Brownson (R Ind.) -- Increase proposed reductions in down payments on old or new homes purchased under FHA loans. Standing vote, 102-93.

Amendment rejected

Abraham J. Multer (D N.Y.) -- Strike from the bill a provision authorizing the President to lower the amount of mortgage down payments if he felt the economic situation required it. Standing 140-142.

Multer -- Require mortgagor to certify as to actual cost of physical improvements on FHA insured property.

Voice.

Multer--Require builder to certify as to actual cost of physical improvements on FHA insured property except in the case of old houses. Voice.

Multer--Remove language authorizing service

charges. Voice.

Multer -- Limit service charges to one-half of one per cent. Standing vote 79-131.

## STATEHOOD

Action. The Senate April 1 approved and sent to the House an amended bill (HR 3575) to grant statehood to the Territories of Hawaii and Alaska. Before final passage, the Senate agreed to substitute the text of its bill (S 49), Hawaiian statehood, as amended earlier to include the text of S 50, Alaskan statehood, for the Houseapproved HR 3575, which would provide statehood for the Island Territory only.

Voting. The measure was approved on a 57-28 roll-call vote. (For voting, see chart page 424)

An amendment designed to make the Territories commonwealths was defeated on a 24-60 roll call. Another amendment, to hold a plebiscite in each Territory on people's desires for statehood or commonwealth status was also beaten, on a 26-59 roll call.

Both amendments were sponsored by Sens. George A. Smathers (D Fla.), A. S. Mike Monroney (D Okla.),

Price Daniel (D Tex.) and J. W. Fulbright (D Ark.).
Four Republicans - Sens. John M. Butler (Md.),
George W. Malone (Nev.), Karl E. Mundt (S.D.) and Andrew F. Schoeppel (Kan.) - - joined 20 Democrats in voting for the commonwealth amendment. They were opposed by 37 Republicans, 22 Democrats and Sen. Wayne Morse (I Ore.).

Three Republicans - - Sens. William Langer (N.D.), Malone, and Herman Welker (Idaho) joined 23 Democrats in support of the plebiscite amendment. They were opposed by 39 Republicans, 19 Democrats and Morse.

Thirty-three Republicans, 23 Democrats and Morse voted for final approval. Nine Republicans, including Leverett Saltonstall (Mass.), majority whip, and Homer Ferguson (Mich.), GOP Policy Committee Chairman, joined 19 Democrats in opposition to passage. Saltonstall and Ferguson, supporters of the Hawaiian cause, said they could not vote for Alaska at this time.

Provisions. HR 3575 would:

Give the proposed new states all of the territory now theirs, except in the case of Hawaii, Palmyra, Midway, Johnston and other smaller islands

Give the states all their public lands

Give the states the rights to offshore resources as enumerated in the Submerged Lands (Tidelands) Act of

Give Hawaii two Congressmen, Alaska one (Each state would be entitled to two Senators)

Spell out the manner in which each Territory would hold a Constitutional convention and certify the results of the convention to the President, who would proclaim statehood. (New stars would be added to the American

flag on the July 4 following the President's proclamation.)

Background. The Senate approved the measure in its fifth week of debate. (CQ Weekly Report, pp. 284, 314, 350, 386.)

The Senate voted March II to add the Alaskan state-

hood measure (S 50) as Title II of S 49.

The measures were reported separately by the Interior and Insular Affairs Committee this year. (CQ Weekly Report, p. 254.)

The House approved its Hawaiian bill (HR 3575) in

1953. (CQ Almanac, Vol. IX, 1953, p. 3-1.)

The House Interior and Insular Affairs Committee reported an Alaskan bill (HR 2982) in 1953, but the measure is still before the Rules Committee. (CQ Almanac, Vol. IX, 1953, p. 304.)

Debate.

The Senate debated the measure and the two commonwealth amendments from March 29 through April 1. It was unanimously agreed to March 30 that the votes would be taken April 1, with time before voting to be equally divided between proponents and opponents. Total time allowed was 90 minutes on each amendment, and one hour on the bill.

March 29, Fulbright said commonwealth status would be a step toward "statehood as well as full independence," with the commonwealth being free to

petition for either.

Sen. Wayne Morse(I Ore.) said admission of Hawaii would be one of the most effective blows to communism in Hawaii."

Sen. Lester C. Hunt (D Wyo.) said Congress had never exercised its veto power over an action of the Hawaiian Territorial Legislature, now 54 years old. He asked that its readiness for statehood be judged on the record of the legislature.

March 30, Sen. A. Willis Robertson (D Va.) denied there was any moral obligation to grant statehood.
"We cannot afford now," he said, "to create fears that
(the U.S.) has an empire complex."

March 31, Sen. Burnet R. Maybank (D S.C.) said "logic and reason" point up that neither Territory is ready for statehood. He said neither was contiguous to the U.S.

Amendments Rejected (April 1)
George A. Smathers (D Fla.), A. S. Mike Monroney
(D Okla.), Price Daniel (D Tex.) and J. W. Fulbright
(D Ark.) - Provide a commonwealth government for
the Territories. Roll call, 24-60.

Smathers, Monroney, Daniel and Fulbright --Provide for a referendum in each Territory on the question of statehood or commonwealth. Roll call, 26-59.

## AIR FORCE ACADEMY

Action. The Senate (March 25) and the House (March 29) agreed by voice vote to the conference report (H Rept. 1427) on a bill (HR 5337) to establish a U. S. Air Force Academy. The President signed the measure April 1. It became Public Law 325.

Provisions of HR 5337 as enacted:

Establish an academy for the Department of the Air Force.

Authorize the Secretary of the Air Force to determine the location of the academy in this manner: He would appoint a commission of five members to advise him. The commission would make its report "as soon as practicable." The Secretary would accept the unanimous decision for a permanent location by the commission, but if the decision was not unanimous the commission would by majority vote submit to the Secretary three sites from which the Secretary could choose a permanent location.

Allow 12 ½ per cent of the graduating class members of either the Air Force Academy, U. S. Military Academy or U. S. Naval Academy to choose the branch of service they preferred, with the consent of the Secretary of that branch.

Authorize \$126 million for construction costs. Background. See CQ Weekly Report, p. 391,

## PROBE FUNDS

Action. House adopted by voice vote(March 29) H Res 468 providing additional expenses for three Subcommittees of the House Government Operations Committee

Provisions. H Res 468 provided the Subcommittees an additional \$155,000 for conducting studies and investigations as follows:

Military Operations, \$51,000

Public Accounts, \$52,000 for investigations in the Department of Agriculture, Commerce, Justice, Interior, Post Office and Treasury

International Operations, \$52,000.

## THE ROLL CALL VOTES

There were six roll-call votes in the period March 26 - April 1. Four were in the Senate. The House voted by roll call twice.

The Senate March 30 adopted the conference report on the excise tax reduction bill (HR 8224) by a vote of 72-8. Republicans voted 34-4, Democrats 37-4 in support. Independent Wayne Morse (Ore.) voted to adopt. (See story, page 417; vote chart, page 424.)

The other three Senate votes were on legislation to grant statehood to Alaska and Hawaii. Rejected (24-60) was a proposal to make the territories commonwealths.

## House "Nine" Strikes Out

A Washington "nine" tried nard to continue House business March 25 but struck out.

After approving the Third Supplemental Appropriation bill (HR 8481, CQ Weekly Report, p. 386), the House settled down to listen to Members speak on favorite topics. (Members are permitted to address the House after the pressure of the day's program is relieved. The House is technically supposed to have a quorum--218 members--present).

Ren. E. C. Gathings (D Ark.), spoke 25 minutes. His allotted time expired. He was granted another five minutes. His time again expired. Ren. Clare E. Hoffman (R Mich.) asked unanimous consent that Gathings continue another five minutes.

Rep. Charles B. Brownson (R Ind.), slated as next speaker, objected. Hoffman, who was to follow Brownson, mad the "noint of order that a quorum is not present." Rep. George Meader (R Mich.) moved that the House adjourn. The motion was rejected, 2-7 on a standing vote.

Rep. James C. Davis (D Ga.) moved to have a quorum call. The motion was rejected, 4-5.

Hoffman objected to the result of the vote because a quorum was not present. The Soeaker agreed that "obviously" a quorum was not present.

Rep. Samuel K. McConnell, Jr. (R Pa.) moved that the House adjourn, and the nine-man House agreed on voice vote.

Republicans voted 4-37 against it. Democrats split 20-22 against. Morse was against. (See story, page 420; note chart, page 424.)

Also rejected (26-59) was an amendment to have the people in the Territories vote on whether they wanted statehood or commonwealth status. Republicans were opposed, 3-39. Democrats supported it 23-19. Morse was opposed.

The bill was passed, 57-28. GOP Senators balloted 33-9 for passage. Democrats favored the measure, 23-19. Morse voted "aye."

One House vote was on adoption of the excise tax reduction conference report. Only one Member -- Fred Marshall (D Minn.) was opposed. In favor were 201 Republicans, 193 Democrats and Independant Frazier Reams (Ohio). (See story, p. 417; vote chart, page 422.)

The other House vote was on a motion to recommit the Independent Offices Appropriation for fiscal 1955 (HR 8583), with instructions. The motion was rejected 180-214. (See story, page 418; vote chart, page 422.)

## DANAHER CONFIRMED

The Senate March 30 confirmed the nomination of John A. Danaher to be judge, U. S. Court of Appeals in Washington.

# House Votes: Taxes, Appropriations

- 13. Excise Tax Reduction Act of 1954 (HR 8224). Adoption of conference report providing for a reduction in excise tax revenue of \$999 million per year and for a one-year extension of certain excise tax rates which would otherwise be reduced April 1, 1954. Adopted, 395-1, March 30. (See story, p. 417)
- Independent Offices Appropriation for 1955 (HR 8583).
   Provide \$5,566,118,763 for the Executive Office and

sundry independent executive agencies for fiscal 1955. (The House granted the amount recommended by the Appropriations Committee.) YATES (D III.) motion to recommit the bill with instructions that no funds in the bill be used for administrative expenses in connection with the sale of any FNMA mortgages at less than par value. Rejected, 180-214, March 31. (See story, p. 418)

|                                   | 1      |       | 395 180                 | REPUBLIC |      | 201 | 14 DEMO                   | YEAS 1                                  |     |        |                             |          |
|-----------------------------------|--------|-------|-------------------------|----------|------|-----|---------------------------|---|-----|--------|-----------------------------|----------|
|                                   |        | NAYS  |                         | NA.      | YS   |     | 196                       | NAYS                                    | 1   | 1      |                             | 40.      |
|                                   | 13 1   | -     |                         | 13       |      |     |                           |   | 13  |        |                             | 13 1     |
| ALABAMA                           | Tee I. |       | Patterson               |          | N    |     | Halleck (R)               |   |     | N      | 12 McCormack                |          |
| 3 Andrews (D)                     | Y !    |       | adlak (R)               | Y 2      | N ?  |     | Harden (R)                |   |     | N      | 9 Nicholson (F              |          |
| 9 Battle (D)                      | ?      |       | eely-Bro                | wn (R)   | 1    |     | Harvey (R)<br>Madden (D)  |   | Y   | N      | 3 Philbin (D)               | Y        |
| 1 Boykin (D)<br>7 Elliott (D)     |        |       | WARE<br>Varburton       | (R) Y    | N    |     | Merrill (R)               |   |     | N      | 5 Rogers (R)                | Y        |
| 2 Grant (D)                       | Ý.     | FLOR  |                         | (14)     | 1 24 |     | Wilson (R)                |   |     | N      | 13 Wiggleswort              | th (R) Y |
| 8 Jones (D)                       | Ŷ      |       | Bennett (D              | ) Y      | TY   | IOV |                           |   | 1 . | 1 44   | MICHIGAN                    | ()       |
| 5 Rains (D)                       | Y      |       | Campbell                |          | N    |     | Cunninghan                | n (R)                                   | Y   | IN     | 12 Bennett (R)              | Y        |
| 4 Roberts (D)                     | 171    |       | ialey (D)               |          | N    |     | Dolliver (R               |   |     | N      | 8 Bentley (R)               | ?        |
| 6 Seiden (D)                      | YY     |       | lerlong (D              |          | N    |     | Gross (R)                 |   |     | N      | 10 Cederberg (              | R) Y     |
| ARIZONA                           | -      |       | Lantaff (D)             |          |      |     | Hoeven (R)                |   |     | N      | 6 Clardy (R)                | Y        |
| 2 Patten (D)                      | 7      |       | Matthews                |          |      | 7   | Jensen (R)                |   |     | ?      |                             | Y        |
| 1 Rhodes (R)                      | Y 1    | V 61  | togers (D)              |          |      | 4   | LeCompte (                | (R)                                     |     | N      | 5 Ford (R)                  | Y        |
| ARKANSAS                          |        |       | ikes (D)                | Y        | Y    |     | Martin (R)                |   | ?   |        | 4 Hoffman (R)               |          |
| 1 Gathings (D)                    | Y !    |       | RGIA                    |          |      |     | Talle (R)                 |   | Y   | N      | 11 Knox (R)                 |          |
| 4 Harris (D)                      | Y      |       | Brown (D)               |          |      |     | NEAS                      |   | 1   | Ter    | 2 Meader (R)                | Y        |
| 5 Hays (D)                        | Y      |       | camp (D)                | Y        | Y    |     | George (R)                |   |     | N      | 3 Shafer (R)                | Y Y      |
| 2 Mills (D)                       | Y      |       | Pilcher (D              | ) X      | Y    | 5   | Hope (R)                  |   |     | N      | 9 Thompson (                |          |
| 6 Norrell (D)                     | Y !    |       | Davis (D)               | Y        | Y    | 1   | Miller (D)                |   |     | Y      |                             | Y        |
| 3 Trimble (D)                     | Y      |       | Forrester               |          | Y    |     | Rees (R)                  | 1                                       |     | N      | 15 Dingell (D)              | County   |
| CALIFORNIA                        | TOTAL  |       | Landrum (               |          |      |     | Scrivner (R<br>Smith (R)  | 9                                       |     | N      | 16 Lesinski (D)             | Ý        |
| 7 Allen (R)                       | Y 2    | 7 7 1 | Lanham (D<br>Preston (D |          |      |     | TUCKY                     |   | 1x  | IN     | 1 Machrowicz                |          |
| 13 Bramblett (R)                  | Y      |       | /inson (D)              |          | Y    |     | Chelf (D)                 |   | ?   | TY     | 17 Oakman (R)               | Y        |
| 6 Condon (D)<br>2 Engle (D)       |        |       | Wheeler (I              |          |      |     | Golden (R)                |   |     | N      | 13 O'Brien (D)              | Ŷ        |
| 10 Gubser (R)                     | Y      |       |                         |          | 11   |     | Gregory (D                | 1                                       |     | Y      | 14 Rabaut (D)               | Ŷ        |
| 14 Hagen (D)                      |        |       | Budge (R)               | Tv       | N    | 7   | Perkins (D)               |   |     | Y      |                             | 1-1      |
| 12 Hunter (R)                     | Y Z    |       | Pfost (D)               | v        | Y    |     | Robsion (R)               |   | Y   |        | 7 Andersen (R               | t) Y     |
| 11 Johnson (R)                    | Y      |       |                         |          | 1    |     | Spence (D)                |   | Y   | Y      | 1 Andresen (R               | t) Y     |
| 4 Mailliard (R)                   | Y !    |       | Allen (R)               |          | N    |     | Watts (D)                 |   | Y   | N      | 8 Blatnik (D)               | Y        |
| 8 Miller (D)                      |        |       | Arends (R               |          | N    |     | Natcher (D)               |   | Y   | Y      | 9 Hagen (R)                 | Y        |
| 3 Moss (D)                        | Y      |       | Bishop (R)              |          | N    |     | JISIANA                   |   |     |        | 5 Judd (R)                  | Y        |
| 29 Phillips (R)                   | Y      |       | Chiperfield             |          | Ix   | 2   | Boggs (D)                 |   |     | Y      | 6 Marshall (D               |          |
| I Scudder (R)                     | Y      | 21 1  | Mack (D)                | Y        |      | 4   | Brooks (D)                |   | Y   | Y      | 4 McCarthy (I               |          |
| 5 Shelley (D)                     | Y      | 15!   | Mason (R)               |          | N    | 1   | Hebert (D)                |   | Y   |        | 2 O'Hara (R)                | Y        |
| 27 Sheppard (D)                   |        |       | Price (D)               | Y        | Y    | 8   | Long (D)                  |   |     |        | 3 Wier (D)                  | Y        |
| 28 Utt (R)                        | Y      |       | Reed (R)                | Y        | N    |     | Morrison (                |   |     | N      |                             | N II     |
| 30 Wilson (R)                     | Y 1    |       | impson (I               |          | N    |     | Passman (I                |   | Y   |        | 1 Abernethy (               |          |
| 9 Younger (R)                     | Y      |       | pringer (               | R)       | IN   |     | Thompson                  | (D)                                     | Y   | N      | 6 Colmer (D)<br>3 Smith (D) | Y        |
| Los Angeles County                | In In  |       | elde (R)                | 2        | X    | MA  | Willis (D)                |   | IX  | Y      | 2 Whitten (D)               | Y        |
| 23 Doyle (D)                      | Y      | 23 \  | Jursell (R              |          | IN   |     |                           |   | he  | Tar    | 4 Williams (D               | Y        |
| 21 Hiestand (R)                   | Y      |       | go Cook                 |          | N    |     | Hale (R)                  |   | Y   | X      | 5 Winstead (D               |          |
| 25 Hillings (R)<br>20 Hinshaw (R) | Y      |       | Busbey (R)              |          |      |     | McIntire (R<br>Nelson (R) | 4                                       | Y   | 2      | MISSOURI                    | 111      |
| 19 Holifield (D)                  | Y      |       | Dawson (D               |          |      |     | RYLAND                    |   | 18  | 15     | 5 Bolling (D)               | Y        |
| 22 Holt (R)                       | Y      |       | ordon (D)               | 1        | Y    |     | Devereux (I               | 9)                                      | Y   | N      | 9 Cannon (D)                | Y        |
| 18 Hosmer (R)                     | Y      |       | loffman (F              |          |      |     | Fallon (D)                | -                                       | Ŷ   | Y      | 8 Carnahan (D               | ) Y      |
| 16 Jackson (R)                    | Y      |       | onas (R)                | Y        | N    |     | Friedel (D)               |   | Y   | Y      | 6 Cole (R)                  | Y        |
| 17 King (D)                       | Y      |       | Cluczynski              |          |      |     | Garmatz (D                | )                                       | Y   | Y      | 2 Curtis (R)                | Y        |
| 15 McDonough (R)                  | Y      |       | AcVey (R)               |          | N    |     | Hyde (R)                  |   | Y   | N      | 4 Hillelson (R              | Y        |
| 24 Lipscomb (R)                   | Y      |       | Brien (D                |          | Y    |     | Miller (R)                | *************************************** | Y   | N      | 10 Jones (D)                | Y        |
| 26 Yorty (D)                      | X I    |       | Hara (D)                |          | Y    |     | Small (R)                 |   | Y   | N      | I Karsten (D)               | Y        |
| COLORADO                          |        |       | heehan (R               |          | N    |     | SACHUSETT                 | 5                                       |     |        | 11 Moulder (D)              | Y        |
| 4 Aspinall (D)                    | Y D    | 9 1   | (ates (D)               | Y        | Y    | 6   | Bates (R)                 |   | Y   | N      | 7 Short (R)                 | ?        |
| 3 Chenoweth (R)                   | Y      | 7 F   | Bowler (D)              | Y        | Y    |     | Boland (D)                |   | Y   | Y      | 3 Sullivan (D)              | Y        |
| 2 Hill (R)                        | Y      | INDIA | INA                     |          |      |     | Curtis (R)                |   | Y   | N      | MONTANA                     |          |
| I Rogers (D)                      | Y      | 1 4 A | dair (R)                |          | N    |     | Donohue (D)               |   | Y   | Y      | 2 D'Ewart (R)               | Y        |
| CONNECTICUT                       |        | 5 E   | Beamer (R               |          | N    | 8   | Goodwin (R)               | 1                                       | Y   | N      | 1 Metcalf (D)               | Y        |
| 3 Cretella (R)                    | Y      |       | Bray (R)                | Y        |      |     | Heselton (R               |   | Y   | N<br>Y | 1 Curtis (R)                | [y]      |
| 1 Dodd (D)                        | YY     |       | Brownson                | (R) Y    | N    |     | Lane (D)                  |   | Y   |        |                             |          |

## RECORD VOTES

## DECLARED STANDS

FOR: Y (yea) 

Announced For, Paired For, CQ Poll For.

AGAINST: N (nay) X Announced Against, Paired Against CQ Poll Against.

NOT RECORDED: ? Absent, General Pair, "Present," Did not announce or answer CQ Poll.

NOT ELIGIBLE: — Not a Member when this vote was taken.

(Also used for Speaker--eligible but usually does not vote.)

|                     | 13 14 |                     | 13 14   |                              | 13 14      |                                   | 13 14             |
|---------------------|-------|---------------------|---------|------------------------------|------------|-----------------------------------|-------------------|
| 2 Hruska (R)        | YN    | 10 Kelly (D)        | YY      |                              |            | 21 Fisher (D)                     | Y Y<br>Y N<br>Y Y |
| 4 Miller (R)        | YN    | 9 Keogh (D)         | YY      | 11 Bonin (R)                 | YN         | 3 Gentry (D)                      | YN                |
| NEVADA              |       | 19 Klein (D)        | YY      | 30 Buchanan (D)              | YY         | 13 Ikard (D)                      | YY                |
| AL Young (R)        | YN    | 4 Latham (R)        | YN      | 17 Bush (R)                  | YN         | 20 Kilday (D)                     | YY                |
| NEW HAMPSHIRE       |       | 13 Multer (D)       | YY      | 10 Carrigg (R)               | YN         | 12 Lucas (D)                      | ??                |
| 2 Cotton (R)        | YN    | 16 Powell (D)       | ? Y     | 29 Corbett (R)               | YN         | 14 Lyle (D)                       | ??                |
| 1 Merrow (R)        | YN    | 15 Ray (R)          | YN      | 9 Dague (R)                  | YN         | 19 Mahon (D)                      | YY                |
| NEW JERSEY          |       | 14 Rooney (D)       | YY      | 28 Eberharter (D)            | YY         | I Patman (D)                      | YY                |
| 11 Addonizio (D)    | YY    | 20 Roosevelt (D)    | YY      | 12 Fenton (R)                | YN         | 11 Poage (D)                      | YY                |
| 3 Auchincloss (R)   | YN    |                     |         | 27 Fulton (R)                | YN         | 4 Rayburn (D)                     | Y /               |
| 8 Canfield (R)      | YN    |                     | 2 Y     | 23 Gavin (R)                 | YN         | 16 Regan (D)                      | 75 75             |
| 6 Williams (D)      | YY    | 3 Barden (D)        | YYY     | 25 Graham (R)                | YN         | 18 Rogers (D)                     | YY                |
| 5 Frelinghuysen (R) | YN    | 1 Bonner (D)        | YY      | 7 James (R)                  | YN         | 6 Teague (D)                      | YY                |
| 2 Hand (R)          | YN    | 7 Carlyle (D)       | Y ?     | 24 Kearns (R)                | YN         | 8 Thomas (D)                      | YY                |
| 14 Hart (D)         | Y Y   | 5 Chatham (D)       | YV      | 21 Kelley (D)                | YV         | 9 Thompson (D)                    | YY                |
| 4 Howell (D)        | YY    | 4 Cooley (D)        | YY      | 8 King (R)                   | YN         | 10 Thornberry (D)                 | 7 ?               |
| 12 Kean (R)         | YN    | 8 Deane (D)         | YY      | 13 McConnell (R)             | YN         | 5 Wilson (D)                      | 1111              |
| 9 Osmers (R)        | 2 N   | 6 Durham (D)        | YY      | 26 Morgan (D)                | YY         | UTAH (B)                          | YN                |
| 10 Rodino (D)       | YY    | 2 Fountain (D)      | YY      | 16 Mumma (R)                 | ? N        | 2 Dawson (R)                      | YN                |
| 13 Sieminski (D)    | 2 V   | 10 Jonas (R)        | YN      | 14 Rhodes (D)                | YY         | 1 Stringfellow (R) VERMONT        | TITM              |
| 7 Widnall (R)       | YN    | 11 Jones (D)        | YY      | 22 Saylor (R)                | YN         |                                   | TACINI            |
| I Wolverton (R)     | YN    | 12 Shuford (D)      | YY      | 18 Simpson (R)               | YN         | AL Prouty (R)                     | YN                |
| NEW MEXICO          |       | NORTH DAKOTA        | Ter Ter | 19 Stauffer (R)              | YN         | VIRGINIA                          | TacTac            |
| AL Dempsey (D)      | YY    | AL Burdick (R)      | YY      | 20 Van Zandt (R)             | YN         | 4 Abbitt (D)                      | YY                |
| AL Fernandez (D)    | YY    | AL Krueger (R)      | YN      | 15 Walter (D)                | YY         | 10 Broyhill (R)                   |                   |
| NEW YORK            |       | OHIO                | Tee Inc | Philadelphia (D)             | 1          | 3 Gary (D)                        | YY                |
| 3 Becker (R)        | YN    | 14 Ayres (R)        | YN      | 1 Barrett (D)                | YY         | 2 Hardy (D)                       | YY                |
| 37 Cole (R)         | YN    | 23 Bender (R)       | Y ?     | 3 Byrne (D)                  | YY         | 7 Harrison (D)                    | YY                |
| 2 Derounian (R)     | YN    | 8 Betts (R)         | YN      | 4 Chudoff (D)                | YY         | 6 Poff (R)                        | YNY               |
| 26 Gamble (R)       | YN    | 22 Bolton, F.P. (R) | ? N     | 2 Granahan (D)               | Y Y<br>Y   | 1 Robeson (D)                     | 1 1 1             |
| 27 Gwinn (R)        | YN    | 11 Bolton, O.P. (R) | YN      | 5 Green (D)                  | YV         | 8 Smith (D)                       | YY                |
| 32 Kearney (R)      | YN    | 16 Bow (R)          | YN      | 6 Scott (R)<br>RHODE ISLAND  | YN         | 5 Tuck (D)                        | Y ?<br>Y N        |
| 38 Keating (R)      | YN    | 7 Brown (R)         | YN      |                              | 1          | 9 Wampler (R)                     | YN                |
| 33 Kilburn (R)      | YN    | 5 Clevenger (R)     | YN      | 2 Fogarty (D)                | YY         | WASHINGTON                        | IVIN              |
| 40 Miller (R)       | YN    | 21 Crosser (D)      | YY      | 1 Forand (D)                 | YY         | 4 Holmes (R)                      |                   |
| 30 O'Brien (D)      | YY    | 20 Feighan (D)      | YY      | SOUTH CAROLINA               | Tolar      | 5 Horan (R)                       | YN                |
| 39 Ostertag (R)     | YN    | 18 Hays (D)         | ? Y     | 4 Ashmore (D)                | YY         | 3 Mack (R)                        | ? X<br>Y Y        |
| 42 Pillion (R)      | 2 7   | 2 Hess (R)          | YN      | 3 Dorn (D)                   | YY         | AL Magnuson (D)                   | YN                |
| 41 Radwan (R)       | ? N   | 10 Jenkins (R)      | YN      | 6 McMillan (D)               | Y Y<br>Y ✓ | 1 Pelly (R)                       |                   |
| 43 Reed (R)         | YN    | 19 Kirwan (D)       | YY      | 5 Richards (D)               | YV         | 6 Tollefson (R)<br>2 Westland (R) | YN                |
| 35 Riehlman (R)     | YN    | 4 McCulloch (R)     | YN      | 2 Riley (D)                  | YY         |                                   | AN                |
| 28 St. George (R)   | YN    | 17 McGregor (R)     | Y X     | 1 Rivers (D)<br>SOUTH DAKOTA | 7 7        | WEST VIRGINIA                     | YY                |
| 36 Taber (R)        | YN    | 6 Polk (D)          | 2 Y     |                              | Testas     | 3 Batley (D)                      | YY                |
| 31 Taylor (R)       | YN    | 9 Reams (I)         | YY      | 2 Berry (R)                  | YN         | 6 Byrd (D)                        | 7 1               |
| I Wainwright (R)    | YN    | 3 Schenck (R)       | YN      | 1 Lovre (R)                  | YN         | 5 Kee (D)                         | - V               |
| 29 Wharton (R)      | YN    | 1 Scherer (R)       | YN      | TENNESSEE                    | Lastas     | 1 Mollohan (D)                    | YY                |
| 34 Williams (R)     | YN    | 15 Secrest (D)      | YY      | 2 Baker (R)                  | YN         | 4 Neal (R)                        | YN                |
| New York City       | -     | 12 Vorys (R)        | YN      | 8 Cooper (D)                 | YY         | 2 Staggers (D)                    | YY                |
| 5 Bosch (R)         | YN    | 13 Weichel (R)      | 2 X     | 9 Davis (D)                  | ? ?        | WISCONSIN                         | Teste             |
| 24 Buckley (D)      | ? X   | OKLAHOMÀ            | -       | 4 Evins (D)                  | YY         | 8 Byrnes (R)                      | YN                |
| 11 Celler (D)       | YY    | 3 Albert (D)        | YY      | 3 Frazier (D)                | YY         | 2 Davis (R)                       | YN                |
| 17 Coudert (R)      | YN    | 1 Belcher (R)       | YN      | 7 Murray (D)                 | YY         | 9 Johnson (D)                     | YY                |
| 7 Delaney (D)       | YY    | 2 Edmondson (D)     | YY      | 5 Priest (D)                 | YY         | 5 Kersten (R)                     | 7 7<br>Y N<br>Y Y |
| 23 Dollinger (D)    | YY    | 5 Jarman (D)        | XN      | i Reece (R)                  | YN         | 7 Laird (R)                       | XIN               |
| 18 Donovan (D)      | XX    | 4 Steed (D)         | YY      | 6 Sutton (D)                 | YY         | 10 O'Konski (R)                   | YY                |
| 12 Dorn (R)         | YN    | 6 Wickersham (D)    | YY      | TEXAS                        | Tarl ar    | 1 Smith (R)                       | YN                |
| 22 Fine (D)         | XX    | OREGON              | Tar Inc | 15 Bentsen (D)               | YY         | 6 Van Pelt (R)                    | YN                |
| 25 Fino (R)         | XN    | 3 Angell (R)        | YN      | 2 Brooks (D)                 | YY         | 3 Withrow (R)                     | YY                |
| 8 Heller (D)        | XX    | 2 Coon (R)          | YN      | 17 Burleson (D)              | YN         | 4 Zablocki (D)                    | YY                |
| 6 Holtzman (D)      | YY    | 4 Ellsworth (R)     | YN      | AL Dies (D)                  | YY         | WYOMING                           | 1                 |
| 21 Javits (R)       | Y N   | 1 Norblad (R)       | YN      | 7 Dowdy (D)                  | YY         | AL Harrison (R)                   | YN                |

## Senate Votes: Taxes, Statehood

- 32. Excise Tax Reduction Act of 1954 (HR 8224). Adoption of conference report providing for a reduction in excise tax revenue of \$999 million per year and for a one-year extension of certain excise tax rates which otherwise would be reduced April 1, 1954. Adopted, 72-8, March 30. (See story, p. 417)
- 33. Statehood for Hawaii and Alaska (S 49). Enable the peoples of Hawaii and Alaska to form a constitution and state government and to be admitted into the union on an equal footing with the original states. MONRONEY (D Okla.) amendment to provide that Hawaii and Alaska be granted the status of commonwealths with a republican form

of government, a bill of rights and relief from U.S. internal revenue laws. Rejected, 24-60, April 1. (See story p. 420)

- 34. Statehood for Hawaii and Alaska (S 49), SMATHERS (D Fla.) amendment to provide that the question of statehood or commonwealth status for Hawaii and Alaska be submitted in a referendum to the voters of Hawaii and Alaska. Rejected, 26-59, April 1.
- 35. Statehood for Hawaii and Alaska (HR 3575). Passage of bill. (Prior to the vote the Senate substituted the text of S 49, as amended, for that of the House passed measure (HR 3575).) Passed, 57-28, April 1.

## RECORD VOTES

## DECLARED STANDS

FOR: Y (yea)

√ Announced For, Paired For, CQ Poll For.

NOT RECORDED:

AGAINST: N (nay) X Announced Against, Paired Against, CQ Poll Against. ? Absent, General Pair, "Present," Did not announce

or answer CQ Poll.

NOT ELIGIBLE.

- Not a Member when this vote was taken

| TOTAL VOTE       | 32  | 33  | 34  | 35 | REPUBLICANS     | 32 | 33  | 34  |     |    |  |      | 34   | 34   |     |
|------------------|-----|-----|-----|----|-----------------|----|-----|-----|-----|----|--|------|------|------|-----|
| YEAS             | 72  | 24  | 26  | 57 | YEAS            | 54 | 4   | 1 3 |     |    |  |      | 23   | 23   |     |
| NAYS             | 8   | 60  | 59  | 28 | NAYS            | 4  | 37  | 39  |     | 9  | NAYS 4   | 22   | 19   | 19   |     |
|                  | 132 | 33  | 34  | 35 |                 | T  | 32  | 33  | 34  | 35 | 1  | 32   | 33   | 34   | 3   |
| ALABAMA          | 102 | -   | 100 | -  | MAINE           | +  | -   | 00  | 0.1 | -  | ОНЮ  | + 32 | 100  | 1 07 | 1   |
| HILL (D)         | N   | Y   | Y   | N  | Payne (R)       | -  | Y   | N   | N   | Y  | Bricker (R)  | Y    | N    | N    | t,  |
| Sparkman (D)     | 2   | 2   | 2   | 2  | Smith (R)       |    | Y   | N   | N   | Y  | Burke (D)  | Y    | N    | N    | 1   |
| ARIZONA          | 1.  | 1   | 1   | 1  | MARYLAND        | -  | *   | 14  | 14  | 1  | OKLAHOMA   | 1    | 14   | 14   | +   |
| Goldwater (R)    | -   |     | -   | -  | Beall (R)       | -  | Y   | N   | 9.7 | 35 |  | -    | 1 17 | 1    | +.  |
| Hayden (D)       | Y   | N   | N   | N  | Butler (R)      |    | Y   | Y   | N   | Y  | Kerr (D)<br>Monroney (D)   | ?    | Y    | Y    | 1   |
| ARKANSAS         | - X | X   | X   | Y  |                 | -  | Y   | Y   | N   | N  | the state of the s | +1   | Y    | Y    | 12  |
|                  |     |     |     |    | MASSACHUSETTS   | -  |     | -   | 2   | -  | ORECON   | -    | -    | -    | +   |
| Fulbright (D)    | Y   | Y   | Y   | N  | Kennedy (D)     |    | Y   | V   | -   | V  | Cordon (R)   | Y    | N    | N    | 1   |
| McClellan (D)    | 12  | Y   | Y   | N  | Saltonstall (R) | -  | Y   | N   | N   | N  | Morse (I)  | Y    | N    | N.   | 12  |
| CALIFORNIA       | -   |     | -   |    | MICHIGAN        | -  | -   |     |     | -  | PENNSYLVANIA   | -    | -    | -    | +   |
| Knowland (R)     | Y   | N   | N   | Y  | Ferguson (R)    |    | Y   | N   | N   | N  | Duff (R)   | Y    | N    | N    | Y   |
| Kuchel (R)       | Y   | N   | N   | Y  | Potter (R)      |    | Y   | N   | N   | Y  | Martin (R)   | Y    | 1?   | 2    | X   |
| COLORADO         |     |     |     |    | MINNESOTA       |    |     |     |     |    | RHODE ISLAND   |      |      |      |     |
| Johnson (D)      | Y   | Y   | Y   | N  | Humphrey (D)    |    | Y   | X   | X   | V  | Green (D)  | Y    | N    | N    | Y   |
| Millikin (R)     | Y   | N   | N   | Y  | Thye (R)        |    | Y   | N   | N   | Y  | Pastore (D)  | Y    | N    | Y    | IX  |
| CONNECTICUT      |     |     |     |    | MISSISSIPPI     |    |     |     |     |    | SOUTH CAROLINA   |      |      |      | T   |
| Bush (R)         | v   | x   | N   | N  | Eastland (D)    |    | Y   | Y   | Y   | N  | Johnston (D)   | Y    | Y    | Y    | IN  |
| Purtell (R)      | Y   | N   | N   | Y  | Stennis (D)     |    |     | Y   | Y   | N  | Maybank (D)  | Y    | Y    | Y    | N   |
| DELAWARE         | 1   | -   | -   |    | MISSOURI        |    | -   | -   | -   |    | SOUTH DAKOTA   | 1    | 1    | 1    | 1.  |
| Frear (D)        | Y   | N   | Y   | Y  | Hennings (D)    |    | ?   | N   | N   | Y  | Case (R)   | Y    | N    | N    | Ty  |
| Williams (R)     | N   | N   | N   | Ý  | Symington (D)   |    | -   | N   | Y   | Ŷ  | Mundt (R)  | Ý    | Y    | N    | tv  |
| FLORIDA          | 14  | -13 | 11  | -  | MONTANA         | -  | *   | -   | -   | -  | TENNESSEE  | +    | +    | 1    | +   |
| Holland (D)      | Y   | N   | N   | v  | Mansfield (D)   | -  | y I | N   | N   | Y  | Gore (D)   | 12   | 1    | J    | x   |
| Smathers (D)     | Y   | Y   | Y   |    | Murray (D)      |    |     | N   | N   | Y  | Kefauver (D)   | Y    | N    | N    | 1 Ŷ |
| GEORGIA          | +   | 1   | -   | N  | HEBRASKA        | -  | -   | N   | IA  | 1  | TEXAS  | *    | 14   | 14   | +*  |
| George (D)       | 1   | 1   | 1   | x  | Butler (R)      | 1  |     | **  |     | 11 | Daniel (D)   | N    | Y    | Y    | N   |
| Russell (D)      | N   | Ý   | Ý   | N  | Griswold (R)    |    |     | N.  | N   | Y  | Johnson (D)  | Y    | Y    | Y    |     |
| IDAHO            | 14  | 1   | 1   | IA |                 | -  | Y   | N   | N.  | Y  |  | 11   | Y    | X    | N   |
| Dworshak (R)     | +   |     |     |    | HEYADA          | -  | -   | -   | -   | _  | UTAH (D)   | +-   | -    | -    | -   |
|                  | Y   | N   | N   | Y  | Malone (R)      |    |     | Y   | Y   | N  | Bennett (R)  | V.   | N    | N    | Y   |
| Welker (R)       | 1×  | N   | Y   | N  | McCarran (D)    |    | Y   | Y   | Y   | N  | Watkins (R)  | Y    | N    | N    | Y   |
| ILLINOIS         | -   |     |     |    | HEW HAMPSHIRE   |    | -   | _   |     |    | VERMONT  | -    | -    | -    | 1   |
| Dirksen (R)      | N   | N   | N   | Y  | Bridges (R)     | _  | 1   | ?   | ?   | X  | Aiken (R)  | Y    | N    | N    | Y   |
| Douglas (D)      | Y   | N   | N   | Y  | Upton (R)       | -  | /   | N   | N   | Y  | Flanders (R)   | Y    | N    | N    | Y   |
| INDIANA          |     |     |     |    | NEW JERSEY      |    |     |     |     |    | YIRGINIA   |      |      |      | _   |
| Capehart (R)     | Y   | N   | N   |    | Hendrickson (R) |    |     | N   | N   | Y  | Byrd (D)   | N    | Y    | Y    | N   |
| enner (R)        | 2   | N   | N   | Y  | Smith (R)       |    | Y   | N   | N   | Y  | Robertson (D)  | Y    | Y    | Y    | N   |
| IOWA             |     |     |     |    | HEW MEXICO      |    |     |     |     |    | WASHINGTON   |      |      |      |     |
| Gillette (D)     | Y   | N   | N   | Y  | Anderson (D)    | 1  | Y   | N   | N   | Y  | Jackson (D)  | Y    | N    | N    | Y   |
| Hickenlooper (R) | Y   | N   | N   | Y  | Chavez (D)      | 1  | Y   | N   | N   | Y  | Magnuson (D)   | Y    | N    | N    | Y   |
| KANSAS           |     |     |     |    | NEW YORK        |    |     |     |     |    | WEST VIRGINIA  |      |      |      |     |
| Carlson (R)      | Y   | N   | N   | Y  | Ives (R)        | 1  | Y   | N   | N   | N  | Kilgore (D)  | Y    | N    | N    | v   |
| choeppel (R)     | V   | Y   | N   |    | Lehman (D)      | 1  |     | N   | N   | Y  | Neely (D)  | Y    | N    | N    | Y   |
| KENTUCKY         | 1   | •   |     |    | NORTH CAROLINA  |    | -   |     | -   | -  | WISCONSIN  | 1    | 1    | ***  | 1   |
| Clements (D)     | Y   | N   | N   | Y  | Hoey (D)        | ٦, | v   | Y   | Y   | N  | McCarthy (R)   | 2    | 2    | 2    | x   |
| Cooper (R)       | N   | N   | N   |    | Lennon (D)      | 1  | _   | 1   | 1   | X  | Wiley (R)  | 2    | 2    | 2    | 2   |
| LOUISIANA        | 10  | -   | -14 |    | NORTH DAKOTA    | +  | +   | ×   | Y   |    | WYOMING  | +    | 1    | -    | 1   |
| Ellender (D)     | 1   | -   | **  |    | Langer (R)      | 1  | . 1 |     | Y   | Y  | Barrett (R)  | Y    | N    | N    | Y   |
|                  | Y   | Y   | Y   |    |                 | 1  |     | N   | -   | Y  | Hunt (D)   | Y    | N    |      | Y   |
| ong (D)          | Y   | N   | N   | Y  | Young (R)       | 1  |     | X   | ?   | ×. | num (D)  | IX   | IN   | N    | X   |



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## Committee Assignment

## UNION PENSION FUNDS

Committee. Senate Labor and Public Welfare Assignment. Irving M. Ives (R N.Y.), April 1, to head Subcommittee investigating union welfare and pension funds.

## Action

#### TAFT-HARTLEY (SENATE)

Committee. Senate Labor and Public Welfare

(for House Committee action, see below).

Action. Reported a bill (S 2650) to amend the Labor Management Relations (Taft-Hartley) Act of 1947. (March 31)

Provisions.

S 2650 contains provisions similar to most of President Eisenhower's recommendations for revision of Taft-Hartley. It did not include an Eisenhower proposal to require federally conducted elections among workers before a strike is called. (Another Administration proposal, to set rules for the conservation of union welfare funds, would be deaft with later by the Committee.)

S 2650 would:

Allow the President to direct a board of inquiry to make recommendations for settling disputes (now a board may only report the facts)

Bar setting aside representation elections because of employer statements, as long as there was no expressed or implied threat of reprisal or offer of benefit

Make NLRB injunctions subject to the discretion of the agency's general counsel (rather than mandatory) in cases of secondary boycotts

Relax secondary boycott ban in cases where union action was directed against an employer doing "farmed out" work for another employer whose employees were on strike, or against an employer on a construction project engaged in work on the same project with other employers

Let unions and employers agree on wages and conditions before workers are hired, and require union membership in seven days (instead of 30) in industries in which employment is temporary or intermittent (as in construction and entertainment)

Bar employers from petitioning for a representation election until a year after a strike begins or until immediately after the strike ends, whichever is sooner, in any lawful strike in which recognition was not the issue when the strike began. (A rival of the striking union could not ask for a representation election until the strike ends, or until six months after it started, whichever is sooner.)

Require employers (as well as union officers) to sign non-Communist affidavits, before getting NLRB services

Bar either party to a contract, made for a fixed term, from necessity of discussing modifications of conditions of employment, or new issues, if these

changes would become effective at a later date, during the life of the contract.

Give the NLRB the right to decline to assert its jurisdiction in disputes if it felt its jurisdiction was not "warranted." (State agencies would then enter the

State that nothing in the Taft-Hartley Act would interfere with state laws dealing with disputes that "constitute a clear and present danger" to citizens of

#### TAFT-HARTLEY (HOUSE)

Committee. House Education and Labor (for Senate Committee action, see above).

Action. Voted on several proposed changes in the Labor-Management Relations Act of 1947. (For previous action, see CQ Weekly Report, p. 390.)

Provisions Acted On.

Rejected (9-17) any changes in a section relating to the status of plant guards and other protective personnel (March 25)

Rejected (13-13) a proposal that management not be obliged to give unions equal company time to answer management arguments against union affiliation (March 26)

Adopted (16-10) the proposal it rejected (13-13) on March 26 (March 29)

Adopted (16-11) a proposal to require the non-Communist oath from employers, as well as employees, before National Labor Relations Board machinery may be used (March 30)

Adopted (20-6) a provision that would ban reopening of negotiations on existing contracts, unless the action was agreed to by labor and management (March 30)

Adopted (20-5) a provision that would prohibit representation elections asked by employers until one year after a strike is over, or after one year, whichever is earlier, or four months after strike if representation ballot is asked by union. (March 30)

Adopted (18-8) a proposal to prohibit employers from using the "check-off" for collection of levies against union members except "periodic and regularly recurring dues." (March 31)

Background. CQ Weekly Report, p. 390. For President Eisenhower's labor recommendations, see CQ Weekly Report, p. 204.)

## DOCTOR-DENTIST DRAFT

Committee. Senate Armed Services

Action. April 1 ordered favorably reported S 3096, to give the Department of Defense the legal right to decide whether drafted doctors and dentists should or should not get commissions, or receive automatic promotions. (CQ Weekly Report, p. 393.)

Provisions, S 3096 would:

Enable the armed services to draft as enlisted men any doctors and dentists whose loyalty was under question

Permit such men to be used in their professional capacities, pending a complete investigation.

Provide for the "security discharge" of any persons not cleared after investigation.

Testimony.

Before ordering the measure reported, the Committee heard Assistant Secretary of Defense John A. Hannah. He said the Department is preparing a new plan, to be ready on or before April 7, for ridding the armed services of "security risks." Hannah said Secretary of Defense Charles E. Wilson would explain the plan to the Committee soon.

Background.

Chairman Joseph R. McCarthy (R Wis.) of the Senate Permanent Investigations Subcommittee charged the Army with "coddling" Communists. (For Subcommittee Army probe, see "Army-McCarthy" below, and CQ Weekly Report, pp. 256-8, 293.)

### ARMY-McCARTHY

<u>Committee</u>. Permanent Investigations Subcommittee, Senate Government Operations.

Action. Chose, by a vote of 6-0, April 1, Samuel P. Sears, Boston Republican trial attorney, as special counsel for hearing on Army charges that Chairman Joseph R. McCarthy (R Wis.) and counsel Roy M. Cohn sought special treatment for former Subcommittee consultant Pvt. G. David Schine. (McCarthy charged that the Army sought to "blackmail" him into dropping a probe of alleged Communist infiltration of the Army.)

Background.

Sears is the immediate past president of the Massachusetts Bar Association. In 1952 he urged the Massachusetts legislature to create a "fearless" crime commission which would "let the chips fall where they may"

In an exchange of letters discussing the first and fifth amendments published by the Boston Bar Association, Sears said "... I still feel that no one who is innocent and feels reasonably certain that he will not be found guilty may use the privilege (of the Fifth Amendment) simply to avoid a possible prosecution." (For prior Subcommittee proceedings, see CQ Weekly Report, p. 389.)

Mundt Statements.

Temporary Chairman Karl E. Mundt (R S.D.) said (March 25) that the Schine controversy would not be settled by the resignation of Army Secretary Robert T. Stevens or Cohn.

Mundt (March 28) denied a McCarthy request that the Subcommittee proceed with other Red probes while awaiting choice of special counsel. Other Developments.

Mrs. Annie Lee Moss, mentioned in Subcommittee testimony as an alleged Communist (CQ Weekly Report, p. 275), and suspended from her Pentagon job, went back to work March 29 pending a complete review of her security by Army authorities. Mrs. Moss denied under oath she was ever a Communist. (CQ Weekly Report, p. 327.)

## WIRETAPPING

Committee. House Judiciary.

Action. Ordered reported a "clean" bill (HR 8649) that would legalize the use of wire tapped information in federal courts for prosecution in cases of national security. (March 31.) The vote reportedly was 19-9.

Provisions. HR 8649 would:

Vest sole authority to order wire tapping in the Attorney General

Make authority retroactive

Require that the Attorney General's approval of wire tapping be in writing.

Background.

HR 8649 was an amended version of HR 477. In writing the later measure, the committee struck from HR 477 a provision to require approval of a federal court judge before the Attorney General acted, and a provision that would have authorized the use of taps in kidnaping cases. (For background on wire tapping see CQ Weekly Report, pp. 78-9.)

Other Developments.

Sen. Pat McCarran (D Nev.) introduced (March 31) a bill (S 3229) to prohibit wire tapping by anyone except persons checking alleged offenses involving the internal security of the U.S. The McCarran measure would allow evidence obtained from future wire tapping to be introduced as evidence only in federal courts.

### INTERIOR FUNDS

Committee. House Appropriations Committee.

Action. Reported April 1 Interior Department Appropriation bill for fiscal 1955 (HR 8680-H Rept. 1460) with recommended appropriations totaling \$363,360,989.

| Provisions.               |               |
|---------------------------|---------------|
| Bureau of Reclamation     | \$140,179,700 |
| Ronneville Power          |               |
| Administration            | 23,915,000    |
| Territories               | 25,728,471    |
| Bureau of Indian Affairs  | 75,015,910    |
| Bureau of Mines           | 18,414,000    |
| Geological Survey         | 25,362,685    |
| National Park Service     | 25,956,099    |
| Land Management Bureau    | 13,483,000    |
| Fish and Wildlife Service | 10,587,000    |
| Southwestern Power        |               |
| Administration            | 275,000       |
| Background.               |               |

President Eisenhower had requested \$422,118,430 for the Interior Department in fiscal 1955, 14 per cent or almost \$59 million more than the Committee recommended. Congress appropriated \$434,604,000 for fiscal 1954, which was 17 per cent more than the Committee proposed for fiscal 1955.

## Reports, Recommendations

## ATOMIC ENERGY

Committee. Research and Development Subcommittee, Joint Committee on Atomic Energy

Action. Subcommittee issued (March 27) report on the five-year reactor Development program proposed by the Atomic Energy Commission.

Findings. An intensive search for peacetime atomic power will produce economical electricity in the United States within 10 years.

Recommendation. That Congress support the \$200 million five-year program which the Atomic Energy Commission has started to develop peacetime power plants run by nuclear energy. The program includes research and development of five types of reactors or power units, one of which is to be installed at a new \$85 million plant in Pittsburgh.

### ARMY OVERCOATS

Committee. House Government Operations Action. Approved and filed (March 31) Report of Subcommittee on Military Operations (H Rept. 1459). Subcommittee Findings.

The Army with "inexcusable disregard" for tax money, requested and received from Congress \$103 million in four years for "overcoats which it did not need and did not buy."

This situation "may even reflect a current deficiency."

The Army explained it could not tell how much of the overcoat funds were spent because they were lumped into a general amount for clothing.

Subcommittee recommendation.

That the Comptroller General and the Pentagon make sure the Army's accounting system shows whether appropriated funds are being spent as Congress orders.

## FAR EAST POLICY

Committee. House Foreign Affairs Subcommittee on the Far East and the Pacific.

Report. (March 27) Subcommittee report on Far Eastern study trip.

Findings. "The moment is quickly approaching when the rising tide of Communism could engulf Asia. The Communist danger cannot be overestimated. Delay and indecision operate to the advantage of the Communists '

Recommendations. The Subcommittee recommended that:

The United States and the free world draft a "clear and firm policy" on Asia quickly

Ar orican representatives "withdraw promptly" from any Korean peace talks, including Geneva, whenever the Communists show they are interested only in "propaganda, abuse and delay"

The Department of Defense accelerate deliveries of military equipment to Indo-China and the French

The President give the American people all possible information about the situation

The U.S. continue opposing recognition of Red China or its admission to the UN

American troops be withdrawn from Japan as soon as possible

The U.S. "carry on a constant and simultaneous combination of pressures from within and without in order to intensify the internal problems of the Chinese Communist regime and to give encouragement to those outside."

## Hearings

## SOCIAL SECURITY

Committee. House Ways and Means. Began Hearings. April 1 on HR 7199 to increase Old Age and Survivors Insurance benefits, taxes and coverage.

Testimony.

Secretary of Health, Education and Welfare Oveta Culp Hobby said the U.S. population over 65 is expected to double in the next half century. Mrs. Hobby urged the Committee to extend social security coverage to 10.5 million persons not now in the program "to increase the individual's sense of personal dignity and worth in a free society." (April 1)

Mrs. Hobby urged:

Benefit increases of from \$5 a month for a single retired worker to \$35,25 a month for a retired couple to take into account the "improved living standard of the American worker.'

An increase from the present \$3,600 to \$4,200 of the maximum annual income on which benefits are based and taxes levied

Background. President Eisenhower's social security message, CQ Weekly Report, pp. 69-70. Ways and Means Committee study, CQ Almanac, Vol IX, 1953, pp. 199-200.

## GOLD MEASURES

Committee. Federal Reserve Matters Subcommittee, Senate Banking and Currency.

Began hearings on S 13 and S 2364, to provide a free market for newly mined gold; S 2332, to provide for resumption of the gold standard, with convertibility at the present prices (over present price) for gold. (March 29-30)

Testimony.
March 29. W. Randolph Burgess, deputy to the Secretary of the Treasury, favored general objectives of all the measures, but opposed enactment at this time. He said raising the price of gold would give Russia a "glorious handout."

William McC. Martin, Jr., Chairman, Board of Governors, Federal Reserve System, favored S 2332, but opposed enactment now.

Walter E. Spahr, Economist's National Committee on Monetary Policy, New York, asked enactment of S 2332

March 30. Rep. Clifton Young (R Nev.) said present policy of non-convertibility for gold denies a "basic tenet" of democracy - - "the right of private ownership of property." He said the U.S. and Russia were the only two members of the United Nations that did not have some kind of free gold market.

Former Rep. Howard H. Buffett (R Neb.) (1943-48; 1951-52) said a return to the gold standard would do "more than any other single act to turn the world back to freedom and justice."

Frank Lilly, Spokane, Wash. said a person's "right to own gold" would help "avoid socialism."

Delegate E. L. Bartlett (D Alaska) and Ray Wiser, San Francisco Chamber of Commerce, both favored enactment of \$ 13

Sens. Pat McCarran (D Nev.) and Francis Case (R S. D.) urged that domestic producers be allowed to sell gold freely at home or abroad, and that U.S. citizens be permitted to own gold bullion.

March 31. Philip Cortney, Coty and Company, New York, favored free marketing of gold, an increase to \$70 (from the present \$35) an ounce, and an end to bank

monetizing of the government debt.

Harry Sears, Calaveras Central Gold Mining Company, Limited, of California favored S 13 and S 2514. John J. Rowe, Fifth-Third Union Trust Company,

Cincinnati, favored free sale of newly mined gold. April I. Donald McLaughlin, Homestake Mining Company, San Francisco, said gold production in the U.S. will "continue to decline" if the price remains

pegged at \$35 an ounce. Background.

The U.S. was on the gold standard until 1934. It is now on a "modified" gold standard, without convertibility into currency. About \$22 billion worth of the world's gold supply of \$36 billion is at Fort Knox. Ky.

(Burgess, the Treasury Secretary's deputy, said March 29 that the Fort Knox gold is not "idle or useless." The gold, he said, is the "legal reserve" against Federal Reserve deposits and backs up the U.S. dollar.)

#### NIAGARA POWER

Committee. Senate Public Works. Continued hearings March 29, 31 on measures (S 689, S 1971, S 2599, S 2966 and HR 4351) to further develop power facilities at Niagara Falls, N. Y.

**Testimony** Clyde T. Ellis National Rural Electric Cooperative Association, and Angus McDonald, National Farmers Union, urged that Rural Electrification Administration co-ops be permitted first call at power through a "preference clause." (March 29)

Ellis said that without preference "a small consumer system would receive little, if any, power... Ellis and McDonald said they favored S 2966, introduced by Sen. Herbert H. Lehman (D N. Y.), providing that facilities shall be built by New York State.

Robert Moses, New York State Power Authority Chairman, said the Federal Power Commission should decide who shall build the new facilities. New York, he said, is "perfectly willing to take its chances" before the Commission. (March 31)

Background.

The House approved HR 4351 in 1953. (CQ Almanac, Vol. IX, 1953, p. 431.) For prior Senate Committee hearings, see CQ Weekly Report, pp. 324, 361.)

## HEALTH INSURANCE

Committee. House Interstate and Foreign Commerce. Continued hearings March 26, 29, 30, 31 on HR 8356, which would establish a government program of reinsurance for private health and hospitalization plans. (For detailed provisions and prior proceedings, see CQ Weekly Report, p. 391.)

Testimony.

Edwin J. Faulkner, president of various Woodmen insurance organizations, and speaking for the U.S. Chamber of Commerce, said the measure would be the "first step" toward government control of medical fees, and would lead eventually to socialized medicine. Faulkner said the proposal would "add nothing" to the present "rapidly expanding" private and voluntary health insurance programs. (March 26) Williams S. McNary, American Hospital Associa-

tion, endorsed the bill. (March 26)

John H. Miller, Monarch Life Assurance Society. gave general testimony, took no definite stand on the measure. (March 29)

Henry S. Beers, Aetna Life Insurance Company, praised some sections of the measure, but questioned others (March 31.)

#### HEALTH GRANTS

Committee. Health Subcommittee, Senate Labor and Public Welfare.

Hearing on S 2778 (March 29).

Provisions: S 2778 would lump together federal grants to states for specific services, such as mental health, with whatever grant Congress may provide for general public health activities in the states.

Testimony.

Secretary of Health, Education and Welfare Oveta Culp Hobby said the measure would give "greater freedom" to the states in spending the money for specific needs. (March 29)

Mike Gorman, National Mental Health Committee, said the measure was "dangerous," and that, from the mental health point of view, it would "turn the clock back 10 years." He asserted it was "nonsense" to expect a better mental health program if the measure were enacted. (March 29)

Dr. Leonard A. Scheele, Surgeon General, Public Health Service favored the measure. (March 29)

#### FARM PROGRAM (HOUSE)

Committee. House Agriculture. Continued hearings on proposed long-range farm programs. (CQ Weekly Report, p. 394).

On flexible price supports:

In favor of flexible supports -- D. Howard Doane, agricultural committee, Chamber of Commerce of the U.S. (March 26)

Against flexible supports -- Fred V. Heinkel, president, Missouri Farmers Association (March 26); and (all March 31) James G. Patton, president, National Farmers Union; Fred Haiduk, president, Texas Farmers Union: Glenn J. Talbott, chairman, Executive Committee, and Harvey Solberg, member of the executive committee, both of the National Farmers Union; Homer Duffy, president, Oklahoma Farmers Union.

## National Farmers Union Recommendations:

Extension of mandatory parity price supports for basic commodities -- wheat, cotton, peanuts, corn, tobacco, rice, honey, tung nuts.

Mandatory parity price supports for rye, oats, barley, grain sorghums, cottonseed, soybeans, flaxseed and other storables on a ratio with support level for

Mandatory parity price supports for milk and butterfat, beef cattle and calves and wool

Improved-diet food allot ment program to enable unemployed, older citizens, relief recipients, and other low-income consumers to buy food

International food reserve to export abundant U.S. farm production abroad; adequate food and fiber safety reserve in U.S.

Expand marketing agreements to additional goods Improve marketing facilities loan program Extend agricultural conservation practices Conservation-incentive payment program. Additional testimony.

On program for exportable commodities:

Herschel D. Newsom, master of the National Grange, urged adoption of a two-price farm program for basic exportable goods. It would give the farmer different prices for commodities sold to meet the normal domestic demand and for commodities sold for export on the world market. (March 30)

Homer Brinkley, executive vice president, National Council of Farmer Cooperatives, urged that restrictions be placed on competitive farm imports where domestic production is limited by law, and that marketing of domestic commodities in world channels be promoted by the government. (March 30)

On Tung oil:

For mandatory price supports (not less than 60 per cent of parity) on tung oil -- Reps. D. R. Matthews (D Fla.) and William M. Colmer (D Miss.); Claude Beebe, president, Tung Growers Council of America; Frank M. Crowell, National Tung Oil Marketing Coop.

#### FARM PROGRAM (SENATE)

Committee. Senate Agriculture.

Continued hearings on a bill (S 3052) to carry out most Administration recommendations on agriculture. (CQ Weekly Report, p. 394).

On price supports:

In favor of flexible supports -- D. Howard Doane, agricultural committee, Chamber of Commerce of the U.S. (March 26)

Against flexible and for rigid 90 per cent of parity, price supports -- Glenn J. Talbott, chairman, executive committee, National Farmers Union; James G. Patton, president, National Farmers Union; Edwin Christianson, president, Minnesota Farmers Union; Harvey Solberg, member of executive committee, National Farmers Union. (all March 29)

For mandatory price supports -- Claude Beebe, president, Tung Growers Council of America; Marshall Ballard, Jr., president, American Tung Oil Association. (Both April 1). They said mandatory supports must be continued on tung oil or their industry would go bankrupt. At present, tung oil must be supported at not less than 60 per cent of parity. Under the Eisenhower Administration proposal, they could range from zero to 90 per cent.

On cooperatives:

Murray D. Lincoln, president, Cooperative League of the U.S.A., urged consideration of ways to expand cooperatives as a part of any farm program. (March 26).

On poultry:

Benjamin H. Flory, American Poultry and Hatchery Federation; Leavitt C. Parsons, publisher, Poultry Industry (both March 31). They criticized high farm price supports and parity prices. They supported with some criticism Administration proposals for lower flexible supports.

## **UN-AMERICAN ACTIVITIES**

Committee. House Un-American Activities.
Continued hearings. (March 26) on communism.
Testimony.

Mrs. Mary H. Neff, Chicago, invoked the Fifth Amendment in response to questions about her alleged affiliation with Communist Party organizations.

Background.

Mrs. Neff was identified as the former wife of Earl C. Reno, ex-Communist, who testified before the group March 25. (CQ Weekly Report, p. 393.) Reno testified that two ministers he knew in Baltimore in 1936 followed the party line. One of the ministers, the Rev. John A. Hutchison, Williams College professor of religion, denied the charge. The other, the Rev. Joseph Nowak, presently a YMCA employee in Detroit, confirmed the Reno testimony.

### RFC LIQUIDATION

Committee. Senate Banking and Currency.

Hearing (March 26) on liquidation of the Reconstruction Finance Corporation.

Testimony.

RFC Administrator Kenton Cravens presented a progress report, indicating total RFC holdings have dropped from slightly more than \$1 billion last fall to \$866 million in February.

Eugene Holland, executive director, Rubber Producing Facilities Disposal Commission, gave a progress report on disposal of government synthetic rubber plants.

## CHARTER OF TANKERS

Committee. Senate Armed Services Subcommittee.
Concluded hearings on S 2788 (March 30).
Provision. Authorize 10-year charter of 20 tankers
by the Navy to encourage their construction by private
commanders.

Testimony.

On excluding companies using foreign flags:

Hoyt S. Haddock, executive secretary, CIO Maritime Committee, suggested an amendment providing that none of the tankers chartered by the Navy could be owned by companies which operate other vessels under foreign flags. He said the practice of putting increasing numbers of ships under foreign flags is threatening "the complete destruction" of the American Merchant Marine.

On size of tankers:

For increase from 25,000 to 32,000 ton limit --Richard S. Lovelace, National Bulk Carriers, Inc., urged increasing the maximum tonnage because American firms, taking over the vessels at the end of the 10-year Navy charter, would have to compete with foreign tankers weighing 32,000 tons or more.

Gordon Duke, Southeastern Oil and Affiliates, testified he was sure more companies would bid to build the tankers if a maximum size of 32,000 tons were permit-

ted

Against increase from 25,000 to 32,000 ton limit --Adm. Francis C. Denebrink, Commander, Military Sea Transport Service, said the Navy would object to increasing the 25,000 ton limit because it would mean that the ships could not get into some ports in which the Navy must operate.

#### SMALL BUSINESS

Committee. Subcommittee on Military Procurement Senate, Select Committee on Small Business.

Resumed hearings (March 31) on small business participation in military procurement. (CQ Weekly Report p. 358.)

Testimony. Charles S. Thomas, Assistant Secretary of Defense for Supply and Logistics, said small business got 35 to 40 per cent of the \$100 billion worth of military contracts let in the past three years. He said in his eight months at the Pentagon he had not found any prejudice against small business on the part of contracting officers.

Frank H. Higgins, Deputy Under Secretary of the Army, said his service had a better record than the Defense Department as a whole in awarding prime con-

tracts to small business.

J. W. Askins, Small Business Adviser, Army, and Col. F. C. Quinlin, Assistant Chief, Purchases Branch, Procurement Division, Army, described what their agencies have done to further their small business programs.

### ST. LAWRENCE SEAWAY

Committee. House Rules.

Continued hearings April 1 on granting a rule for debate on S 2150, providing for U.S. participation in the St. Lawrence Seaway (CQ Weekly Report, p. 395).

Deferred action (April 1), on the question of whether to send the Senate-passed St. Lawrence bill to the House floor. Chairman Leo E. Allen (R III.) said at the conclusion of the April I hearing that the committee would not consider the bill further until after the House's Easter recess.

## CHEESE

Committee. Permanent Investigations Subcommittee,

Senate Government Operations.

Staff Investigation. Chairman Joseph R. McCarthy (R Wis.) announced March 26 that staff investigators were probing Agriculture Department cheese transactions, which, he said, made quick profits for cheese warehousers but not for dairy farmers. McCarthy said the government was buying cheese from warehousers at 37 cents a pound, and selling it back to them the same day, sometimes within an hour, at about 34.5 cents. He said 28.6 million pounds of cheese had been bought and sold on that basis since March 4.

## POSTAL EMPLOYEES' PAY

Committee. House Post Office and Civil Service. Continued hearings on proposals to increase salaries of postal employees.

Testimony.

For increasing salaries through reclassification of postal jobs:

Civil Service Commission Chairman Philip Young endorsed (March 30) the Administration's proposal to reclassify 500,000 postal jobs (HR 8093) which he said would correct inequities and distortions in the current

pay schedules through salary adjustments. He opposed any across-the-board increase as continuing present inequities.

For an across-the-board increase:

Henry G. Mahady, national commander, AMVETS, supported (March 30) a proposal (HR 2344) to grant an across-the-board annual increase of \$800 for postal employees and increases of from \$400 to \$1,100 for other government employees. He said the plan would cut down the "terrible" turnover in government employment.

William C. Jason, Jr., National Alliance of Postal Employees, said his organization supports HR 2344.

Background.
The House Post Office and Civil Service Committee began hearings Feb. 16 (CQ Weekly Report p. 224) and the Senate Post Office and Civil Service Committee opened hearings on the Administration's bill (S 2665) Feb. 23. (CQ Weekly Report, p. 256)

## DEBTS TO AIR FORCE

Committee. Preparedness Subcommittee No. 3, Senate Armed Services.

Hearing (March 29) on problem of nonpayment of debts owed the Air Force by nonscheduled airlines.

Testimony.

Witnesses testified that the Air Force rented its planes to some small nonscheduled airlines to haul passengers and cargo during and after the Korean war, supplied them with gasoline and services on credit, and then paid them for services they rendered without collecting for fuel, services and rentals. Testifying were H. Lee White, Assistant Secretary of the Air Force: (management); W. K. Sowers, Middleton, Pa., Air Depot; Col. Freeman Parsons, Air Materiel Command, Wright-Patterson Air Force Base, and Miss M. R. Brewer, in charge of delinquent accounts, Air Finance Center, Denver,

## **Appropriations**

## INTERIOR

' Subject. House Appropriations Subcommittee on the Interior Department March 31 released a transcript of closed-door hearings held from Feb. 3 to Feb. 25 on the fiscal 1955 budget for the Interior Department.

Testimony.

W. A. Dexheimer, Reclamation Commissioner, said about 15 of the 11,000 Bureau of Reclamation employees are possible security risks, and that all 15 are stationed outside Washington, D. C. He said no employees had been discharged for security reasons, but that two had resigned when they learned the Bureau was drawing up charges.

#### CIVIL FUNCTIONS

Subject. Letter from Sen. Stuart Symington (D Mo.) to Senate Appropriations Subcommittee on Civil Functions March 29 urging resumption of work on the Tuttle Creek dam in Kansas as soon as possible. He said it should be listed at "the top of urgent projects."



# -summary of legislation (APPENDIX)

(MARCH 24-30)

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## Bills Acted On

EXPLANATORY NOTE: Bills and resolutions which during this period have been approved and reported by committees to the floor of either house, or have been passed by either house, are listed below in numerical order. The summary gives, in order listed, number of bill, description, sponsor, nature and date of action. Action was by voice vote unless otherwise indicated.

Simple resolutions (S Res or H Res) are completed when adopted by the chamber in which they originate. They do not become law.

Concurrent resolutions (S Con Res or H Con Res) are completed when adopted by both houses. They do not become law.

Joint resolutions (S J Res or H J Res) and bills (S or HR) must be passed by both houses and are then sent to the President. They become law when signed by the President, or become law without his signature after 10 days, unless he vetoes.

CQ's Summary Of Legislation appears weekly while Congress is in session, as an appendix at the back of CQ Weekly Report. Pages are numbered consecutively throughout the year and to distinguish appendix pages from other Weekly Report pages, each appendix page number is preceded by an A.

## 1. Sent To President

HR 5337. Provide for the establishment of a United States Air Force
 Academy. SHORT (R Mo.). House Armed Services reported Jan.
 18. Passed House 330-36, Jan. 21. Senate Armed Services reported
 March 3. Passed Senate amended March 8. Senate adopted conference report March 25. House adopted conference report March 29.

HR 5632. Authorize the conveyance of Camp Butner to the State of North Carolina. CHATHAM (D.N.C.) House Armed Services reported July 29. Passed House under unanimous consent August 1, 1953. Senate Armed Services reported Feb. 4, 1954. Fassed Senate amended on call of calendar Feb. 8. House agreed to Senate amendments March 24.

HR 8224. Provide for reduction in excise taxes. REED (R N.Y.). House Ways and Means reported March 4. Passed House 411-3, March 10. Senate Finance reported March 19. Passed Senate, 76-8, March 25. Senate adopted conference report, 72-8, March 30. House adopted conference report, 395-1, March 30.

## 2. Senate Bills And Resolutions

## COMMITTEE ACTION IN EITHER HOUSE

S 2305. Make certain revisions of the Motor Vehicle Safety Responsibility Act of D.C. BEALL (R Md.). Senate District of Columbia reported July 10. Passed Senate on call of calendar July 27, 1953. House District of Columbia reported March 30, 1954.

S 2371. Extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101 of the 79th Congress. TOBEY (R N.H.). Senate Interstate and Foreign Commerce reported March 24.

S 2713. Provide for reconveyance of certain property in Boulder, Colo., for a radio propagation laboratory. JOHNSON (D Colo.), MILLIKEN (R Colo.). Senate Interstate and Foreign Commerce reported March 24.

S 2777. Provide for transportation on Canadian vessels between certain points in Alaska and continental U.S. MAGNUSON (D Wash.). Senate Interstate and Foreign Commerce reported March 24.

S 2874. Provide that title to certain school lands shall vest in the states under the act of Jan. 25, 1927 notwithstanding any federal leases which may be outstanding on such lands at the time they are surveyed. BENNETT (R Utah), WATKINS (R Utah). Senate Interior and Insular Affairs reported March 30.
S 3184. Authorize appropriations for continuing construction of high-

S 3184. Authorize appropriations for continuing construction of highways. MARTIN (R Pa.) and other Senators. Senate Public Works reported March 25.

S J Res 12. Authorize a survey to be made of the Passamaquoddy tidal power project. SMITH (R Maine), PAYNE (R Maine.). Senate Foreign Relations reported Jan. 19. Passed Senate Feb. 10. House Foreign Affairs reported March 24.

S J Res 44. Propose an amendment to the Constitution relating to the composition and jurisdiction of the Supreme Court. BUTLER (R Md.). Senate Judiciary reported March 24.

S J Res 69. Require the preparation of an estimate of the cost of reconstructing Ford's Theater in Washington, D. C. YOUNG (R Nev.). Senate Interior and Insular Affairs reported March 30.

S J Res 130. Provide for a National Mental Health Week. SMATHERS (D Fla.) and other Senators. Senate Judiciary reported March 29.

## 3. House Bills And Resolutions

#### FLOOR ACTION IN EITHER HOUSE

HR 8152. Continue the direct home and farm house loan authority of the Administrator of the VA under the Servicemen's Readjustment Acts. AYRES (R Ohio). House Veterans Affairs Committee remorted March 3. Passed House March 24.

ported March 3. Passed House March 24. HR 8481. Third Supplemental Appropriation Bill for 1954. TABER (R N.Y.). House Appropriations reported March 19. Passed House March 25.

House March 25.

HR 468. Provide additional funds for the expenses of conducting studies and investigations incurred by certain regular subcommittees of the House Government Operations Committee.

RIEHLMAN (R N.Y.). House Administration reported March 29.

# House adopted, providing an additional \$155,000 March 29. COMMITTEE ACTION IN EITHER HOUSE

HR 998. Provide federal patent to Idaho for certain land. BUDGE (R Idaho.). House Interior and Insular Affairs reported July 27. Passed House on consent calendar July 30, 1953. Senate Interior and Insular Affairs reported March 30, 1954.

HR 1529. Provide for development of building materials in Alaska through the removal of volcanic ash from portions of Katmai National Monument, Alaska. D'EWART (R Mont.). House Interior and Insular Affairs reported Feb. 18. Passed House amended on consent calendar March 2, 1953. Senate Interior and Insular Affairs reported March 30, 1954.

HR 1568. Authorize the appointment of deputy commissioners in Alaska by judges of districts courss. BARTLETT (D Alaska). House Interior and Insular Affairs reported June 29. Passed House on consent calendar July 7, 1953. Senate Interior and Insular Affairs reported March 30, 1954.

HR 2556. Amend the U.S. Code re extradition to foreign territory occupied or controlled by U.S. exclusively or jointly with other nations. REED (R III.). House Judiciary reported March 25.

HR 3306. Make provisions relating to reservation of mineral rights in land patented under non-mineral-land laws. MILLER (R Neb.). House Interior and Insular Affairs reported July 30, 1953. Passed House on consent calendar Jan. 18, 1954. Senate Interior and Insular Affairs reported March 30.

HR 4024. Change the name of the Appomattox Court House National Historical Monument to the Appomattox Court House National Historical Park. ABBITT (D Va.). House Interior and Insular Affairs reported July 9. Passed House on consent calendar July 20, 1953. Senate Interior and Insular Affairs reported March 30, 1954. HR 4984. Remove the limitations placed upon certain land conveyed in 1946 to the City of Miles City, Mont. D'EWART (R Mont.) House Interior and Insular Affairs reported Feb. 8. Passed House Feb. 16. Senate Interior and Insular Affairs reported March 30.

HR 5529. Reserve within Manassas National Battlefield Park, Va., the most important historic properties relating to the battles of Manassas. D'EWART (R Mont.). House Interior and Insular Affairs reported Jan. 7. Passed House on consent calendar Jan.

18. Senate Interior and Insular Affairs reported March 30.
HR 6251. Authorize abolishment of Shoshone Cavern National Monument and transfer of the land therein to the city of Cody, Mont., for recreational purposes. HARRISON (R Wyo.). House Interior and Insular Affairs reported Feb. 8. Passed House on consent calendar Feb. 16. Senate Interior and Insular Affairs reported March 30.

HR 6436. Amend the Communications Act of 1934 re jurisdiction of Federal Communications Commission over certain companies. O'HARA (R Minn.). House Interstate and Foreign Commerce re ported July 23. Passed House on consent calendar July 30, 1953. Senate Interstate and Foreign Commerce reported March 24, 1954. HR 6988. Provide for transfer of certain land in Powell townsite, Wyoming, Shoshone reclamation project, to the University of Wyoming. HARRISON (R Wyo.). House Interior and Insular Affairs reported March 29,

HR 7839. Provide and improve housing, eliminate and prevent slums, and conserve and develop urban communities. WOLCOTT (R Mich.), House Banking and Currency reported March 28.

HR 8044. Extend authorization for the hospitalization of certain veterans in the Philippines. ROGERS (R Mass.). House Veterans Affairs reported March 24.

HR 8180. Increase the amount of federal aid to state or territorial homes for the support of disabled soldiers, sailors, and airmen of the U.S. ROGERS (R Mass.). House Veterans Affairs reported March 24.

HR 8583. Make appropriations for the Executive Office and sundry independent boards, executive bureaus, commissions, corporations, agencies and offices, for fiscal 1955. PHILLIPS (R Calif.). House Appropriations reported March 26.

## bills introduced (APPENDIX CONTINUED)

CQ's eight subject categories and their sub-divisions:

- AGRICULTURE
- APPROPRIATIONS **EDUCATION & WELFARE**
- Housing & Schools Safety & Health Social Security 4. FOREIGN POLICY Administrative Policy
- International Relations Immigration & Naturalization
- LABOR MILITARY & VETERANS
  - Defense Policy Veterans

7. MISC. & ADMINISTRATIVE

Civil Service Congress Constitution, Civil Rights Crimes, Courts, Prisons District of Columbia Indian & Territorial Affairs Land and Land Transfers Post Office

Presidential Policy
8. TAXES & ECONOMIC POLICY Business & Banking Commerce & Communications Natural Resources
Public Works & Reclamation Taxes & Tariffs

Within each category are Senate bills in alphabetical order of sponsor's name, followed by House bills in alphabetical order of sponsor's name. Bills are described as follows: Sponsor's name, bill number, date introduced, brief description of provisions and committee to which bill was assigned.

Bills sponsored by more than one Senator are listed under the first sponsor, with additional sponsors listed in alphabetical order. All such multiple sponsored bills are marked by an asterisk(\*). To check all bills introduced by a particular Senator, look for his name under each of the subject categories and subdivisions thereof, and check all bills marked with an asterisk.

In the House identical bills are sponsored by several Members but each bill has only one sponsor and one number. In such cases only the first bill introduced -- that with the lowest bill number -- is described in full. Bills introduced subsequently during the period and identical in nature are cited back to the earliest bill.

#### 1. Agriculture

AIKEN (R Vt.) S 3207....3/30/54. Amend section 8a (4) of the Commodity Exchange Act to fix reasonable charges for registrations and certificates. Agriculture.

\*AIKEN (R Vt.), Anderson (D N.M.), Ives (R N.Y.) S 3208,....3/30/54. Amend the Agricultural Act of 1949 with respect to price supports

for dairy products. Agriculture. DWORSHAK (R Idaho) S 3181....3/24/54. Amend Sugar Act of 1948,

as amended, to apportion domestic sugar-producing areas. Finance. KEFAUVER (D Tenn.) S 3204.....3/29/54. Continue temporarily existing 90-per-cent-of-parity price supports for milk and butterfat. Agriculture

ANDRESEN (R Minn.) HR 8584....3/29/54. Amend the Agricultural

Act of 1949 to continue temporarily existing 90 per cent of parity price supports for milk and butterfat. Agriculture.

ANDRESEN (R Minn.) HR 8604....3/29/54. Amend Agricultural Act of 1949 to provide that the CCC will make available to the Army, Navy, Air Force, & Veterans' hospitals such butter, cheese and milk as are certified required by the proper authority. Agriculture.

#### TALLY OF BILLS

The number of measures -- public and private -- introduced in the B3rd Congress from Jan. 3, 1953, through March 30, 1954:

| Senate | House                     |
|--------|---------------------------|
| 3,223  | 8,646                     |
| 142    | 486                       |
| 73     | 221                       |
| 224    | 486                       |
| 3,662  | 9,839                     |
|        | 3,223<br>142<br>73<br>224 |

BENNETT (R Mich). HR 8619....3/30/54. Similar to Bow (R Ohio)

BOW (R Ohio) HR 8560....3/25/54. Amend Agricultural Act of 1949, to provide a limitation on the downward adjustment of price supports for milk and butterfat and their products. Agriculture.

BUDGE (R Idaho) HR 8621....3/30/54. Amend the Sugar Act of 1948, section 202 providing for apportionment of cane and beet sugar in

the domestic production areas. Agriculture. HOPE (R Kan.) HR 8599.....3/29/54. Amend section 8a (4) of the Commodity Exchange Act to fix reasonable charges for registrations and

certificates. Agriculture. HORAN (R Wash) HR 8587....3/29/54. Amend the Agricultural Act of 1949 to provide that feed grains acquired through price-support operations shall be sold to dairy farmers at prices equivalent to 75

per cent of parity. Agriculture.
MILLER (D Kan.) HR 8602.....3/29/54. Amend the Bankhead-Jones Farm Tenant Act to improve the credit services available to farmers seeking to adopt soil and water conserving systems of farming.

Agriculture O'BRIEN (D N.Y.) HR 8535....3/24/54. Establish in the Department of

Agriculture a Milk Publicity Bureau. Agriculture.
PFOST (D Idaho) HR 8558....3/25/54. Continue temporarily, existing 90 per cent of parity price supports for milk and butterfat. Agri-

POAGE (D Tex.) HR 8575.....3/25/54. Amend Agricultural Act of 1949, as amended, re price supports for basic commodities. Agriculture.

## 2. Appropriations

PHILLIPS (R Calif.) HR 8583....3/29/54. Make appropriations for the Executive Office and sundry independent executive bureaus, boards, and agencies for fiscal 1955. Appropriations.

## 3. Education And Welfare

## HOUSING AND SCHOOLS

RILEY (D S.C.) HR 8663....3/30/54. Authorize the Commissioner of Education to issue to certain local educational agencies quitclaim deeds to certain temporary facilities upon showing a need therefor. Government Operations.

## SAFETY AND HEALTH

- BENDER (R Ohio) HR 8559 ..... 3/25/54. Authorize Public Health Service to admit to its hospitals persons addicted to the use of habit forming narcotic drugs who are duly committed to the care of the service by a court of any state. Commerce.
- JAVITS (R N.Y.) HR 8564....3/25/54. Similar to Bender (R Ohio). HR 8559
- TOLLEFSON (R Wash.) HR 8577....3/25/54. Similar to Bender (R Ohio) HR 8559

#### SOCIAL SECURITY

- KEAN (R N.I.) HR 8629....3/30/54. Amend the Social Security Act and the Internal Revenue Code extending coverage under old-age and survivors insurance program, increasing the benefits, preserving insurance rights of disabled individuals and increasing amount of earnings permitted without loss of benefits. Ways and Means.
- LANDRUM (D Ga.) HR 8601....3/29/54. Amend Social Security Act to include wages and self-employment of a deceased person in com-
- puting benefits based thereon. Ways and Means.

  OSTERTAG (R N.Y.) HR 8592....3/29/54. Amend Social Security Act to increase the amount of outside earnings permitted without deductions from benefits and provide that in computations earnings shall be placed on an annual basis. Ways and Means.

## 4. Foreign Policy

#### ADMINISTRATIVE POLICY

- BEALL (R Md.) S 3183.....3/25/54. Enable certain widows of Foreign Service officers to obtain credit for prior government service performed by such officers, in securing the widow's annuity. Foreign
- BENTSEN (D Tex.) HR 8620....3/30/54. Amend the United States Infformation and Educational Exchange Act of 1948 to provide for the education of not less than 100,000 foreign students a year within the U.S. Foreign Affairs.

#### 5. Labor

- BAKER (R Tenn.) HR 8585 ..... 3/29/54. Assist in alleviating the effects of unemployment resulting from federal tariff or trade policy by establishing a temporary program of supplementary grants for states which provide for liberalization of their unemployn compensation payments to persons unemployed because of federal tariff or trade policy. Ways and Means.

  BYRNE (D Pa.) HR 8586....3/29/54. Similar to Chudoff (D Pa.) HR
- 8529
- CHUDOFF (D Pa.) HR 8529....3/24/54. Offset declining employment by providing for federal assistance to states and local governments in projects of construction, alteration, expansion, or repair of
- public facilities and improvements. Public Works.

  CHURCH (R III.) HR 8530.....3/24/54. Amend act re authorizing operation of stands in federal buildings by blind persons, and enlarging the opportunities of the blind. Labor.
- GRANAHAN (D Pa.) HR 8544....3/24/54. Similar to Chudoff (D Pa.) HR 8529.
- MACHROWICZ (D Mich.) HR 8631....3/30/54. Similar to Chudoff (D Pa.) HR 8529.

## 6. Military And Veterans

#### DEFENSE POLICY

- McCARTHY (R Wis.) S 3197.....3/29/54. Authorize acceptance of conditional gifts to further the defense effort. Government Operations. SALTONSTALL (R Mass.) (by request) S 3175.....3/24/54. Repeal
- certain laws re professional examinations for promotion of medical dental, and veterinary officers of the Army, and Air Force. Armed Services
- SALTONSTALL (R Mass.) (by request) S 3176,...,3/24/54. Provide for the crediting of certain service toward retirement of reserve personnel. Armed Services.
- SALTONSTALL (R Mass.) (by request) S 3177 ... .3/24/54. Increase annual compensation of the academic dean of the U.S. Naval Postgraduate School. Armed Forces.
- SALTONSTALL (R Mass.) S 3209....3/30/54. Extend the period of election under the Uniformed Service Contingency Option Act of 1953 for certain members of the uniformed services. Armed Services.
- SALTONSTALL (R Mass.) S 3210.....3/30/54. Authorize the Secretary of Navy to dispose of certain uncompleted naval vessels. Armed Services.

- SALTONSTALL (R Mass.) S 3211....3/30/54. Amend section 201 (e) of the Career Compensation Act of 1949 to provide for advance pay and allowances of members of the uniformed services. Armed Services
- JOHNSON (D Wis.) HR 8600 .... 3/29/54. Provide for increase in daily allowance of milk, butter and cheese in the Army, Navy and Air
- Force. Armed Services.

  SHORT (R Mo.) HR 8537.....3/24/54. Repeal certain laws re professional examinations for promotion of medical, dental, and
- veterinary officers of the Army and Air Force. Armed Services. SHORT (R Mo.) HR 8539.....3/24/54. Extend period of election under Uniformed Services Contingency Option Act of 1953 for certain members of the uniformed services. Armed Services.
- SHORT (R Mo.) HR 8540.....3/24/54. Amend Career Compensation Act of 1949, as amended, to provide for advance payments of certain pay and allowances of members of the uniformed services. Armed Services
- SHORT (R Mo.) HR 8570,...,3/25/54. Authorize Secretary of the Navy
- to dispose of certain uncompleted naval vessels. Armed Services. SHORT (R Mo.) HR 8571....3/25/54. Authorize the construction of naval vessels. Armed Services.
  SHORT (R Mo.) HR 8635....3/30/54. Affirm the temporary appoint-
- ments of certain Navy officers. Armed Services.

  SHORT (R Mo.) HR 8636.....3/30/54. Increase the retirement annuities of civilian members of the teaching staffs of the U.S. Naval Academy and Naval Postgraduate School heretofore retired.
- Armed Services VINSON (D Ga.) HR 8595.....3/29/54. Amend Uniform Code of Military Justice to outlaw the Communist Party and similar subversive or-
- ganizations in the Armed Forces. Armed Services.

  WAMPLER (R Va.) HR 8541.....3/24/54. Provide that leave accrued by members of the armed forces while held as prisoners of war in Korea shall not be counted in determining the maximum amount of leave which they may accumulate or have to their credit. Armed Services
- WAMPLER (R Va.) HR 8542....3/24/54. Provide that the leave accruing to a member of the armed forces while he was held a prisoner of war in Korea shall not be subject to the 60-day limitation on the maximum amount of leave which might be accrued by such member. Armed Services.

## VETERANS

- SALTONSTALL (R Mass.) S 3217....3/30/54. Provide for the withholding of veterans' benefits from persons who refuse to file a loyalty oath. Judiciary.
- DONOHUE (D Mass.) HR 8574....3/25/54. Amend Servicemen's Readjustment Act of 1944, to reduce from 4 1/2 per cent to 4 per cent the maximum interest rate on home loans made, guaranteed, or insured thereunder. Veterans. GRANAHAN (D Pa.) H J Res 480.....3/24/54. Place individuals who
- served in the temporary forces of the U.S. Navy during the Spanish-American War in the same status as those who served in the Army for equal periods of time during that war and who were given furloughs or leaves upon being mustered out of the service. Veterans
- MACHROWICZ (D Mich.) HR 8632....3/30/54. Amend Veterans Regulations for World War II veterans to establish a further presumption of service connection for multiple sclerosis and chronic functional
- psychoses. Veterans.
  MILLS (D Ark.) HR 8534.....3/24/54. Amend Servicemen's Readjustment Act of 1944, to increase the maximum amount in which farm
- realty loans may be granted thereunder. Veterans.

  ROGERS (R Mass.) (by request) HR 8567.....3/25/54. Increase rates
  of service-connected death compensation payable to widows and children of persons who served in the active military or naval service Veterans.
- ROGERS (R Mass.) (by request) HR 8569....3/25/54. Provide increases in pensions for nonservice disabled who have dependents. Veterans.

## 7. Miscellaneous And Administrative

- BEALL (R Md.) S 3182,...3/25/54. Authorize issuance of a special series of stamps commemorative of the 200th anniversary of the founding of Fort Cumberland. Civil Service.

  IVES (R N.Y.) S 3192.....3/29/54. Promote public cooperation in re-
- habilitation and preservation of the nation's important historic
- properties in New York City. Interior. KUCHEL (R Calif.) S 3170.....3/24/54. Provide for national cemeteries in California. Armed Services.

- CARLYLE (D N.C.) HR 8561,....3/25/54. Direct the Secretary of the Interior, in cooperation with the Army Secretary, to erect at Dunn, North Carolina, a suitable memorial to the late Major Gen. William Carey Lee. House Administration.

  FRELINGHUYSEN (R N.J.) HR 8626....3/30/54. Establish a commission
- for the celebration of the 200th anniversary of the birth of
- for the celebration of the 200th anniversary of the birth of Alexander Hamilton. Judiciary.

  GAMBLE. (R.N.Y.) H J Res 485.....3/30/54. Authorize the President to proclaim October 16, 1954 as National Olympic Day. Judiciary.

  GENTRY (D Tex.) HR 8627.....3/30/54. Promote the preservation of U.S. history as recorded in early pioneer newspapers and those currently being published; collect and microfilm this information making it available to educational institutions and the general public. House Administration.
- ic. House Administration.
  HESS (R Ohio) H J Res 486....3/30/54. Designate the 7-day period beginning October 24, 1954 as Cleaner Air Week. Judiciary.
  MACK (D III.) H J Res 481.....3/24/54. Amend act of July 5, 1949 to
- increase by five years the time allotted to begin erection of a statue of Simon Bolivar in Washington, D. C. House Administration. O'HARA (D III.) HR 8536....3/24/54. Provide for issuance of a special
- O'HARA (D III.) HR 8536.....3/24/54. Provide for issuance of a special postage stamp in honor of Mary, mother of Christ. Civil Service. ROGERS (R Mass.) HR 8566.....3/25/54. Authorize coinage of special 50-cent piece to commemorate the 300th anniversary of the founding of Billerica, Massachusetts. Banking and Currency. ROGERS (R Mass.) HR 8568.....3/25/54. Provide for issuance of a special postage stamp to commemorate the 300th anniversary of the founding of Billerica, Massachusetts. Civil Service.

#### CIVIL SERVICE

- HAGEN (R Minn.) HR 8531....3/24/54. Amend Civil Service Retirement Act of 1930, as amended, re certain employees of the Army Department who served with the Far East Command. Civil Service.
- HOSMER (R Calif.) HR 8547.....3/24/54. Deny benefits, under the civil service and other federal retirement systems, to persons convicted of felonies involving moral turpitude. Civil Service.
- McDONOUGH (R Calif.) HR 8589.....3/29/54. Amend Civil Service Re-tirement Act of May 29, 1930 to provide increased retirement benefits for certain officers and employees of the Post Office Depart-
- ment. Civil Service.
  WITHROW (R Wis.) HR 8638.....3/30/54. Provide that wageboard employees of the U.S. shall be paid the same additional rate of com-pensation for night work which is paid to employees under the
- Classification Act of 1949. Civil Service.

  YORTY (D Calif.) HR 8578....3/25/54. Increase the basic rates of compensation of certain officers and employees of the federal government. Civil Service.

## CONGRESS

- GILLETTE (D Iowa) S Res 223 .... 3/25/54. Provide that each committee or subcommittee of the Senate which shall have adopted rules for the conduct of investigations shall submit a copy of such rules to the Secretary of the Senate to be made public. Rules.
- FRELINGHUYSEN (R N.J.) HR 8625....3/30/54. Clarify survivorship benefits in the case of certain employees in the legislative branch of the Government. Civil Service. HAGEN (D Calif.) H.Res 483....3/29/54. Authorize accomodations in
- the House gallery for press, periodical press, newsreel and tele-vision photographers and cameramen. Rules. HOFFMAN (R III.) H Res 482....3/29/54. Authorize the Speaker to
- appoint a committee to ascertain the facts in connection with a newspaper article. Interior.

  PFOST (D Idaho) H J Res 482.....3/24/54. Establish a joint committee to investigate the gold-mining industry. Rules.

## CONSTITUTION CIVIL RIGHTS

JACKSON (R Calif.) H J Res 483....3/29/54. Amend the Constitution so as to redefine treason. Judiciary.

### CRIMES, COURTS AND PRISONS

- BRICKER (R Ohio) (by request) S 3190 .... 3/25/54. Amend act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce. Commerce.

  MANSFIELD (D Mont.) S 3191.....3/25/54. Outlaw the Communist
- Party and similar organizations. Judiciary.
- DAVIS (D Ga.) HR 8598.....3/29/54. Amend title 18 of U.S. Code to make it a capital offense to attack certain government officials with a deadly weapon. Judiciary.

- HALE (R Maine) HR 8563.....3/25/54. Amend D.C. Code re penalty in case of assault with a dangerous weapon committed in the Senate
- or House Chamber. D.C.

  POFF (R Va.) HR 8576....3/25/54. Provide for jury trials in condenation proceedings in U.S. district courts. Judiciary.

  THOMPSON (D Tex.) HR 8528....3/24/54. Provide a method for com-
- pensating claims for damages sustained as the result of the explosions at Texas City, Texas. Judiciary.

  THOMPSON (D Tex.) HR 6572.....3/25/54. See above, HR 8528.

  WALTER (D Pa.) HR 8596....3/29/54. A mend chapter 75 of title 18,
  U.S. Code providing penalties for failure to surrender passport to authorized authorities. Judiciary.

#### DISTRICT OF COLUMBIA

- BEALL (R Md.) S 3171 .... 3/24/54. Provide retirement benefits for
- the office of judge of the District of Columbia. Tax Court. D.C.

  BEALL (R Md.) S 3212.....3/30/54. Regulate and fix the salaries of teachers, school officers and other employees of the Board of Education of the District of Columbia. D. C.
- BEALL (R Md.) S 3213.....3/30/54. Merge the Columbus University of Washington, D. C. Into the Catholic University of America pursuant to an agreement of the trustees of the universities. D. C.
- \*HENDRICKSON (R N. J. ), Langer (R N.D.), Case (R S.D.) S 3202..... 3/29/54. Amend law relating to indecent publications in the District of Columbia. D. C.
- HAGEN (R Minn.) HR 8533....3/24/54. Fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of D. C. D. C.
- O'HARA (R Minn.) HR 8565....3/25/54. Amend act to establish a code of law for D.C. re satisfaction of attachments, levies, or other processes against compensation and other income. D. C.
- O'HARA (R Minn.) HR 8590....3/29/54. Make certain revisions in title IX of the D.C. Revenue Act of 1937. D. C.
  O'HARA (R Minn.) HR 8591....3/29/54. Protect trade-mark owners,
- producers and general public against injuries and unecomomic practices in the distribution of competitive commodities bearing a distinguishing trade-mark in the D.C. D.C. ROGERS (D Fla.) HR 8603....3/29/54. Prohibit picketing within 1,000 feet of the grounds of the White House. D. C.

#### INDIAN AND TERRITORIAL AFFAIRS

- KERR (D Okia.) S Con Res 73....3/24/54. Express sense of Congress that no bill or resolution affecting the rights or property of any identifiable group of Indians should be considered in either House unless such group has been notified and given reasonable opportunity to be heard. Rules.
- EDMONDSON (D Okla.) H Con Res 221....3/29/54. Declare the sense
- of Congress on the closing of Indian hospitals. Interior.

  SAYLOR (R Pa.) HR 8634....3/30/54. Amend section 22 of the Organic
  Act of Guam relating to trials by jury and indictments by grand
  jury in the District Court of Guam. Interior.

#### LAND AND LAND TRANSFERS

- CORDON (R Ore.) S 3188....3/25/54. Authorize transfer of certain property of the U.S. government in Klamath Falls, Oregon, to Oregon, Interior.
- \*DWORSHAK (R Idaho), Welker (R Idaho) S 3215....3/30/54. Authorize the Secretary of Interior to confirm to the State of Idaho full and clear title to certain lands previously selected by the state in lieu of school land grants made by the Idaho Admission Act. Interior.
- HAYDEN (R Ariz.) S 3187.....3/25/54. Authorize the U.S. to quitclaim all its right, title, and interest in and to certain lands in Arizona.
- \*KNOWLAND (R Calif.), Kuchel (R Calif.) S 3189....3/25/54. Provide for conveyance by the U.S. to the Monterey County Flood Control and Water Conservation District, California, of certain lands in Camp Roberts Military Reservation, California. Armed Services.
- BRAMBLETT (R Calif.) HR 8573....3/25/54. Provide for conveyance by the U.S. to the Monterey County Flood Control and Water Con-servation District, California, of certain lands in Camp Roberts Military Reservation, California. Armed Services. BUDGE (R Idaho) HR 8622....3/30/54. Authorize the Secretary of Interior to confirm to the state of Idaho full and clear title to certain
- lands previously selected by the state in lieu of school land grants
- made by the Idaho Admission Act. Interior.
  PERKINS (D Ky.) HR 8548....3/24/54. Grant consent of Congress to the Breaks Interstate Park compact. Interior.

STAGGERS (D.W. Va.) HR 8593....3/29/54. Provide for the relief of the city of Philippi, W. Va. Judiciary.

WAMPLER (R. Va.) HR 8549....3/24/54. Similar to Perkins (D. Ky.)

HP 8548

#### DOST OFFICE

HAGEN (R Minn.) HR 8532....3/24/54. Permit certain temporary clerks in the postal field service to acquire a classified civilservice status. Civil Service

### PRESIDENTIAL POLICY

\*BRICKER (R Ohio), Johnson (D Colo.) S 3203....3/29/54. Prohibit certain departments, agencies, bureaus, boards, commissions, and services of the government from prescribing more than nominal

rates for licenses, etc. Commerce.

McCARTHY (R Wis.) S 3198.....3/29/54. Amend section 1 (d) of the
Helium Act (50 U.S.C. 161 (d)) and repeal section 3 (13) of the act amending or repealing certain government property laws, approved October 31, 1951. (65 Stat. 708). Government Operations. McCARTHY (R Wis.) S 3199.....3/29/54. Authorize additional use of

government motor vehicles at isolated government installations. Government Operations

McCARTHY (R Wis.) S 3200.....3/29/54. Amend section 3 of the Travel Expense Act of 1949 to provide an increased maximum per diem allowance for subsistence and travel expenses. Government Operations

## 8. Taxes And Economic Policy

#### BUSINESS AND BANKING

- CAPEHART (R Ind.) S 3206....3/30/54. Amend section 14 (b) of the Federal Reserve Act extending authority until June 30, 1956. Banking and Currency.
- Banking and Currency.

  CASE (R S. D.) S 3222....3/30/54. Authorize, except in time of war, private transactions involving the sale, acquisition or holding of gold for industrial professional and artistic uses. Banking and Currency.
- KELLEY (D Pa.) HR 8630....3/30/54. Amend section 4 of the act of March 9, 1945 regulating certain employees of insurance companies. Judiciary.

## COMMERCE AND COMMUNICATIONS

- BRICKER (R Ohio) S 3185....3/25/54. Amend Interstate Commerce Act to make compliance with certain state filing requirements unnecessary re mortgages, leases, equipment trust agreements, conditional sale agreements, and other instruments evidencing the mortgage, lease, conditional sale, or bailment of motor vehicles
- sold to or owned by certain carriers subject to such act. Commerce.
  \*BUTLER (R Md.), Saltoastall (R Mass.) S 3219....3/30/54. Amend
  certain provisions of title XI of the Merchant Marine Act, 1936, to facilitate private financing of new ship construction. Interstate
- and Foreign Commerce.
  \*ELLENDER (D La.), Long (D La.), Stennis (D Miss.), Eastland (D Miss.), Hill (D Ala.) S 3223.....3/30/54. Regulate domestic and foreign commerce to promote the welfare of producers and consumers of tung nut oil. Agriculture.
- FERGUSON (R Mich.) S 3178....3/24/54. Amend Natural Gas Act to establish a rule re valuation of gas reserves for ratemaking under the provisions of such act. Commerce. SMATHERS (D Fla.) S 3194.....3/29/54. Amend the Civil Aeronautics
- Act of 1938 to authorize the Civil Aeronautics Board to suspend certificates of air carriers under certain additional conditions. Commerce
- SMATHERS (D Fla.) S 3220,...,3/3/54. See above S 3194.

- CRUMPACKER (R Ind.) H J Res 484....3/30/54. Direct the Federal T Trade Commission to conduct an investigation into competitive practices in the automotive industry. Interstate and Foreign
- CURTIS (R Neb.) HR 8543....3/24/54. Limit the application of the Federal Power Act as to states and municipalities. Commerce. GROSS (R lowa) HR 8562,...3/25/54. Authorize the Director of the
- Census to collect and publish statistics on twice imports. Civil Service
- SEELY-BROWN (R Conn.) HR 8538.....3/24/54. Provide for revocation or denial of merchant marine documents to persons involved in certain narcotics violations. Merchant Marine.

  TOLLEFSON (R Wash.) HR 8594.....3/29/54. Amend title XI of the
- Merchant Marine Act of 1936 relating to federal ship-mortgage insurance. Merchant Marine.
- TOLLEFSON (R Wash.) HR 8637.....3/30/54. Amend certain provisions of title XI of the Merchant Marine Act, 1936 to facilitate private financing of new ship construction. Merchant Marine.

#### NATURAL RESOURCES

- DWORSHAK (R Idaho) S 3193....3/29/54. Protect U.S. security interests by stimulating domestic production of lead and zinc. Interior.
- D'EWART (R Mont.) HR 8624....3/30/54. Govern the control, appro-
- priation, use and distribution of water. Interior.

  OAKMAN (R Mich.) HR 8605....3/29/54. Amend section 6(a) of the Natural Gas Act to establish a rule on the valuation of gas re serves for ratemaking purposes under the provisions of such act. Commerce.

#### PUBLIC WORKS AND RECLAMATION

- \*MARTIN (R Pa.), Beall (R Md.), Burke (D Ohio), Case (R S.D.), Chavez (R Calif.), Stennis (D Miss.), Thye (R Min.), Case (R S.B.), Craves (R Calif.), Stennis (D Miss.), Thye (R Min.), Upton (R N.H.) S 3184.....3/25/54. Amend and supplement the Federal-Aid Road Act of 1916, to authorize appropriations for continuing the construction of highways. Public Works.
- YOUNG (R Nev.) HR 8597.....3/29/54. Provide federal assistance for construction of a highway from the Nevada state line into the San Francisco Bay area. Public Works.

## TAXES AND TARIFFS

- KEFAUVER (D Tenn.) S 3174....3/24/54. Amend Internal Revenue Code to ciarify applicability of the excise tax on electric air heaters. Finance.
- ANDRESEN (R Minn.) HR 8618 .... 3/30/54. Amend the Tariff Act of 1930 to remove the restrictions on the importation of wild bird feathers for use in the manufacture of artificial flies used in fishing. Ways and Means.
- CAMP (D Ga.) HR 8623.....3/30/54. Amend section 534 (e) of the Internal Revenue Code of 1954 re proceedings before the Tax Court and involving the effective date of certain deficiency notices. Ways and Means.
- GOODWIN (R Mass.) HR 8628....3/30/54. Amend the Tariff Act of 1930 to insure that imported crude silicon carbide will continue to be duty-exempt. Ways and Means
- GWINN (R N.Y.) HR 8545.....3/24/54. Limit taxing and spending. Ways and Means
- HOSMER (R Calif.) HR 8546.....3/24/54. Amend Internal Revenue Code
- re collection of delinquent taxes. Ways and Means. KERSTEN (R Wis.) HR 8588.....3/29/54. Provide for the exclusion from gross income of certain amounts received by employees under profit-sharing plans and for an additional deduction from gross income for payments by employers under profit-sharing plans. Ways and Means.

## CORRECTIONS

To increase the reference value of its current and permanent material, CQ periodically publishes corrections and clarifications for its Weekly Report.

CQ corrects major errors as they are noted and assembles other corrections for your convenience, at the end of each quarter. Corrections also are printed in the quarterly index. The corrections which follow are to be made in the 1954 Weekly Report.

Page 9, Column 2 -- Paragraph 8, line 4 should read: "federal funds to provide old age assistance benefits...." (not Old Age and Survivors benefits.)

Page 48, Column 2 -- Paragraph 5, line 6 should read: "with Great Britain" .... (not Canada.)

Page 103, Column 2 -- Paragraph 4 should read: "April 1, and that reductions of excise taxes...." (deleting "and repeals").

Page 117, 1954 Election Guide Chart, under "Filing deadline for candidates" -- New Hampshire should read July 29 (not July 30) and South Carolina should read May 6 (not May 13.)

Page 134, Column 2 -- Paragraph 5, line 3 should read: "than \$4.5 billion in loans since 1934...." (not "since then")

Page 153, Column 1 -- Paragraph 7, line 1 should read: "The American Watch Manufacturers Association" (not American Manufacturers Association.)

Page 205, Column 1 -- last line should read: "annually for fiscal 1956 and 1957." (not 1955 and 1956.)

Page 212, Column 2 -- Paragraph 7, line 1 should read: "C. B. Heinemann, Jr., whose father has registered in the past" (not "who has registered")

Page 213, Column 1 -- last paragraph, line 2 should read: "Mid-Continent Oil and Gas" (not Mid-Continental)

Page 256, Column 2 -- Paragraph 4, line 7 should read: "been discharged Feb. 2" (not Feb. 20.)

In CQ Quiz, week ending Feb. 12, page iv: Question 7 -- In the answer, line 2 should read: "brought into the unemployment insurance system" (not Old Age and Survivors Insurance system). Line 10 should read: "federal insurance" (not "federal OASI") Last sentence should be deleted.

In "The Week In Congress" summary, week ending March 26, page iv:

Second paragraph should read: "which carried \$32,380,000 more than" (not less than.)

Late developments of the week ending April 2, briefly reported on this page, will be covered in appropriate sections of the April 9 Weekly Report

HOUSING -- The House April 2 passed and sent to the Senate a bill to carry out Administration proposals for encouraging construction of new homes and repair of old, and stimulating slum clearance and urban redevelopment. Passage was by a roll-call vote of 352 to 36. A motion to recommit with instructions to include President Eisenhower's recommendations for a four-year program of 140,000 new public housing units was rejected 176-211.

McCARTHY - ARMY -- Appointment of Samuel P. Sears by the Senate Investigations
Subcommittee as its special counsel in the Cohm-Schine probe stirred controversy
as some Congressmen questioned whether he could be fully impartial. Sen.
Charles E. Potter (R Mich.), a Subcommittee member, April 2 said he had "no reason
to doubt" Sears' impartiality, but thought the public was entitled to reassurances
in view of reports that Sears in the past had praised Chairman McCarthy's fight
against communism. (See page 426.)

PROBE REJECTED -- The Senate Armed Services April 2 rejected on a 7-1 vote an appeal by Sen. Estes Kefauver (D Tenn.) that it launch its own investigation of the McCarthy-Army row.

STATEHOOD -- House Speaker Joseph W. Martin, Jr., (R Mass.) said April 2 that he saw little hope for the Alaska-Hawaii Statehood Bill in its combined form. The Senate passed the measure April 1 (see page 420), after adding statehood for Alaska to a House-passed bill (HR 3575) which covered Hawaii only. Martin said he had had no word from the White House on the issue but said he did not think the President "has changed his mind any." The President had recommended that the two bills be kept separate, (CQ Weekly Report, p. 314.)

JOHNSON -- Sen. Edvin C. Johnson (D Colo.) announced April 2 that he would retire from the Senate Jam. 3, 1955, ending 18 years' service in the Senate. Johnson, age 70, said he had no political plans and would make no recommendation as to his successor.

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# -congressional quiz

 Q--Are contests arising from Senatorial elections rare?

A--Since 1789 the Senate has investigated about 140 cases of contested elections or appointments and questions of rights of Members to retain seats. More than 100 of these were decided before 1913, when the 17th Amendment provided for the popular election of Senators. Before that time, Senators were elected by state legislatures. The Constitution (Article I, section 5) gives to each House the right to judge the qualifications of its Members.

Q--Based on the attitude of Congress, what is the outlook for U.S. relations with the United Nations?

A--Support for the Bricker amendment, rejected by the Senate, was drawn to some extent from those who either disapprove of U.S. participation in the UN or support major changes in UN relations. A Senate Foreign Relations subcommittee is studying possible recommendations for revision of the UN Charter, with particular attention to the veto power of the Security Council. Republican views on the UN range from: "Let us get out" -- Rep. Usher Burdick, R N.D.; to: "Sheer necessity" and "Man's best hope" -- President Eisenhower.

3. Q--Has the Eisenhower Administration continued to support major foreign policy programs begun under the Truman Administration?

A--The Eisenhower Administration has backed some "carryover" programs. Examples include support for the United Nations and the North Atlantic Treaty Organization (Atlantic Pact); formation of a European Defense Community; development of Middle Eastern mutual security pacts; and containment of communism in Southeast Asia and Korea. There have been some changes, and perhaps the most debated is the "new look" defense policy. This was described by Secretary of State John Foster Dulles as placing dependence primarily upon a "great capacity to retaliate, instantly, by means and at places of our own choosing."

4. Q -- Will the U.S. recognize Red China?

A--Secretary of State John Foster Dulles said in a Feb. 24 radio-TV speech that the presence of Red China at the April 26 Geneva meeting on Far Eastern problems does not mean the U.S. will recognize the Red regime. March 29 he reiterated the Geneva session will not mean recognition. President Eisenhower, in his March 24 news conference, said the U.S. attitude toward China had not changed.

5. Q--How many have been discharged from the armed services because of questionable loyalty or for security reasons?

A--A total of 590 officers and men were discharged for those reasons since May, 1949, according to March 24 testimony by Pentagon officials before the Senate Armed Services Committee. The percentage of loyalty discharges to total strength of the various services was given as: Army --,00006 per cent; Air Force - ,00005 per cent; Navy - about ,00035 per cent.

6. Q--I've heard that the U,S, Treasury has a "conscience" fund. What is that?

A--A "conscience" fund is maintained by the Treasury to accept monies from persons who inadvertently or intentionally defrauded the government of sums due it, and make restitution. If they send cash to the Treasury, it goes into the general fund. Officials, keeping tabs on the amount for two recent years, report the "conscience" fund totaled \$39,501 in fiscal 1952, \$64,198 for fiscal 1953.

Q--Pravda, official organ of the Russian Communist Party, claimed March 18 that "not a single worker or peasant" serves in the U.S. Congress. Is that true?

A--A Congressional Quarterly tabulation of 83rd Congress Members' professions shows that 22 Senators and 53 Representatives have, in some way, engaged in farming and ranching activities. Some still maintain such interests. CQ also found that at least six Congressmen had been officials of labor unions.

8. Q--Is there a fixed limit to the length of a session of Congress?

A--The Constitution, as amended, provides that each regular session of the Congress shall begin on Jan. 3, unless "(the Congress) shall by law appoint a different day." The Legislative Reorganization Act of 1946 requires Congress to adjourn not later than the last day in July, except in time of war or national emergency. In practice, a Congress hardly can bind succeeding Congresses in such a matter -- in 1953, for example, Congress adjourned early August 4. In 1954, it convened Jan. 6, having set back the date by special resolution.

NOTE: CQ Weekly Report pages on which additional data may be found: (1) 388, (2) 293, (3) pp. 203-4, (4) 262, 383, (5) 393, (7) 381.



# the week in congress

(These stories are summarized from foregoing pages of the Weekly Report. For detail, check Contents on front cover.)

EXCISE CUTS -- Excise tax rates were cut \$999 million a year under a bill passed by Congress and signed by President Eisenhower. The bill also extended excise rates scheduled for reduction April 1. Among the slashes voted was a 50 per cent cut in the tax on home appliances.

SPENDING -- The House approved and sent to the Senate a \$5,566,118, 763 independent offices appropriations bill, which provided \$363,604,837 less than had been requested by the President. A provision for 20,000 public housing construction starts was knocked out of the bill, creating confusion as to whether this action would hamstring the public housing program or give a green light to 35,000 units already contracted for.

STATEHOOD -- The Senate approved, 57-28, a bill granting statehood to Hawaii and Alaska, after voting down 24-60 an amendment to make the Territories commonwealths.

THE H-BOMB -- Congressmen called for more public information on U.S. atomic power and strengthening of defenses, in the wake of reports of stupendous damage caused by a hydrogen bomb test explosion in the Pacific and AEC Chairman Strauss' statement that an H-bomb can now be made powerful enough to destroy any city in the world.

ARMY-McCARTHY -- The Senate subcommittee investigating the controversy of Sen. McCarthy (R Wis.) and his probe aids with the Army finally named a special counsel -- Samuel P. Sears, Boston trial attorney. However, a rumpus immediately developed as to whether Sears had applied for the job, or merely made himself available. It also was brought out that Sears had in the past praised McCarthy as having "done a great job."

TAFT-HARTLEY -- Several proposed changes in the Taft-Hartley Labor Law were approved by the House Education and Labor Committee. They included: Requiring employers as well as employees to take non-Communist oaths; a ban on reopening of negotiations on existing contracts unless both labor and management agree, and a proposal that management is not obliged to give unions equal company time to answer arguments against union membership.

<u>DOCTOR-DENTIST</u> DRAFT -- The Senate Armed Services Committee favorably reported a bill giving the Defense Department the right to decide whether

## STATUS OF MAJOR LEGISLATION

This chart traces through April 2, 1954 the advancement toward a final decision of these major legislative proposals:

| Bills  | Reported in House | Passed<br>House | Reported<br>in Senate |                          | Enacted |
|--|-------------------|-----------------|-----------------------|--------------------------|---------|
| Statehood for Alaska                                       | 6/26/53           |                 | 2/24/54               | 4/1/54                   |         |
| Statehood for Hawaii                                       | 3/3/53            | 3/10/53         | 1/27/54               | 4/1/                     |         |
| Increase Salaries of<br>Congress, Fed Judges               |                   |                 | 5/12/53               |                          |         |
| Immunity of Cong.  |                   |                 | 4/20/53               | 7/9/53                   |         |
| Raise legal debt limit                                     | 7/31/53           | 7/31/53         |                       |                          |         |
| St. Lawrence Seaway  | 2/19/54           |                 | 6/16/53               | 1/20/54                  |         |
| Restrict executive<br>treaty powers<br>(Bricker Amendment) |                   |                 | 6/15/53               | Re-<br>jected<br>2/26/54 |         |
| South Korean Mutual<br>Defense Pact                        |                   |                 | 1/21/54               | 1/26/54                  | 2/5/54  |
| Treasury-Post Office<br>Appropriation                      | 2/16/54           | 2/18/54         |                       |                          |         |
| State, Justice, Com-<br>merce Appropriation                | 2/25/54           | 3/5/54          |                       |                          |         |
| Excise Tax Reduction                                       | 3/4/54            |                 | 3/19/54               | 3/25/54                  | 3/31/54 |
| Tax Revision   | 3/9/54            | 3/18/54         |                       |                          |         |
| Army Civil Funct-<br>ions Appropriations                   | 3/11/54           | 3/16/54         |                       |                          |         |
| Highway Con-<br>struction                                  | 3/4/54            | 3/8/54          | 3/25/54               |                          |         |
| Hospital Survey<br>and Construction                        | 3/3/54            | 3/9/54          |                       |                          |         |
| Independent Offices<br>Appropriations                      | 3/26/54           | 3/31/54         |                       |                          |         |
| Housing Re-<br>development                                 | 3/27/54           | 4/2/54          |                       |                          |         |
| Interior<br>Appropriations                                 | 4/1/54            |                 |                       |                          |         |

HOW MAJOR BILLS FARED - - Both houses nassed and President Eisenhower signed a compromise bill reducing the nation's excise tax bill by \$999 million a year. The Senate nassed a bill to grant statehood to Alaska and Hawaii, requested a conference with the House which had voted last year to admit Hawaii only. The House sent a \$5.6 billion independent Offices Appropriation to the Senate. The House Appropriations Committee reported favorably a bill to appropriate \$363,360,989 for the Interior Department.

drafted doctors and dentists should or should not get commissions, or receive automatic promotions.

FIFTH AMENDMENT -- Rep. Busbey (R III.) reported that 305 witnesses invoked the Fifth Amendment in refusing to answer questions before Congressional committees in 1953. He said 85 of these witnesses once worked for the federal government, and eight others for state governments.